

Notice is hereby given that an ordinary meeting of the Horowhenua District Council will be held on:

Date: Wednesday 10 August 2022
Time: 4.00 pm
Meeting Room: Council Chambers
Venue: 126-148 Oxford St
Levin

Council OPEN AGENDA

MEMBERSHIP

Mayor	B P Wanden
Deputy Mayor	Deputy Mayor J F G Mason
Councillors	Cr D A Allan
	Cr W E R Bishop
	Cr R J Brannigan
	Cr T N Isaacs
	Cr S J R Jennings
	Cr V M Kaye-Simmons
	Cr R R Ketu
	Cr C B Mitchell
	Cr P Tukapua

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Full Agendas are available on Council's website
www.horowhenua.govt.nz

Full Agendas are also available to be collected from:
Horowhenua District Council Service Centre, 126 Oxford Street, Levin
Te Awahou Nieuwe Stroom, Foxton,
Shannon Service Centre/Library, Plimmer Terrace, Shannon
and Te Takeretanga o Kura-hau-pō, Bath Street, Levin

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Karakia

1 Apologies

2 Public Participation

Notification of a request to speak is required by 12 noon on the day of the meeting by phoning 06 366 0999 or emailing public.participation@horowhenua.govt.nz.

See over the page for further information on Public Participation.

3 Late Items

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

4 Declarations of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

5 Confirmation of Minutes

Resolutions

- 1.1. That the minutes of the meeting of the Council held on Wednesday 22 June 2022 be confirmed as a true and correct record.
- 1.2. That the minutes of the In Committee meeting of the Council held on Wednesday 22 June 2022 be confirmed as a true and correct record.
- 1.3. That the minutes of the Extraordinary meeting of the Council held on Wednesday 29 June 2022 be confirmed as a true and correct record.

6.1 Proceedings of the Finance, Audit & Risk Committee Meeting 29 June 2022

File No.: 22/358

1. Purpose

To present to the Council the minutes of the Finance, Audit & Risk Committee meeting held on 29 June 2022.

2. Recommendation

- 2.1 That Report 22/358 Proceedings of the Finance, Audit & Risk Committee Meeting 29 June 2022 be received.
- 2.2 That the Council receives the minutes of the Finance, Audit & Risk Committee meeting held on 29 June 2022.

3. Issues for Consideration

The following items considered by the Finance, Audit & Risk Committee meeting held on the 29 June 2022 will require further consideration by the Horowhenua District Council and will be included on a future Council agenda:

There are no items that require further consideration.

Attachments



There are no attachments for this report.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Jody Lygo Democracy Support Officer	
Approved by	Monique Davidson Chief Executive Officer	



Finance, Audit & Risk Committee

OPEN MINUTES

Minutes of a meeting of the Finance, Audit & Risk Committee held in the Council Chambers, Horowhenua District Council, Levin on Wednesday 29 June 2022 at 4.00 pm.

PRESENT

Chairperson	Mr P Jones
Deputy Chairperson	Mrs C B Mitchell
Members	Mr D A Allan
	Mr W E R Bishop
	Mr R J Brannigan
	Mr T N Isaacs
	Mr B J Jackson
	Mr S J R Jennings
	Mrs V M Kaye-Simmons
	Mr R R Ketu
	Mrs J F G Mason
	Ms P Tukapua
	Mayor B P Wanden (via zoom)

IN ATTENDANCE

Reporting Officer	Mrs J Straker (Group Manager - Business)
	Mrs M Davidson (Chief Executive)
	Mr D McCorkindale (Group Manager – Customer & Strategy)
	Mr B Maguire (Group Manager – Infrastructure Development & Operations)
	Mrs L Slade (Group Manager – People & Culture)
	Mrs A Crawford (Water & Waste Services Manager)
	Mrs A Huria (Business Performance Manager)
	Mr G Rowse (Principal Advisor – Democracy)
	Mr A Chambers (Manager of Financial Planning & Reporting)
	Mrs T Glavas (Health & Safety Lead)
	Mr B Blyton (Procurement Advisor)
Meeting Secretary	Miss J Lygo (Democracy Support Officer)

ALSO IN ATTENDANCE

Mr Stephan Lucy Audit New Zealand

Councillor Ketu opened this meeting with a karakia.

1 Apologies

There were none.

2 Public Participation

Name	Item/Topic
Mrs Viv Bold	Item 6.4 - Audit New Zealand – Final Management Report for the year ended 30 June 2021.

3 Late Items

There were none.

4 Declarations of Interest

There were none.

5 Confirmation of Minutes

Resolution Number FC/2022/1

MOVED by Cr Allan, seconded Mr Jackson:

That the minutes of the meeting of the Finance, Audit & Risk Committee held on Wednesday, 25 May 2022, be confirmed as a true and correct record.

CARRIED

6 Reports

6.4 Audit New Zealand - Final Management Report for the year ended 30 June 2021

The Finance, Audit & Risk Committee were presented with the Audit New Zealand Management Report for the year ended 30 June 2021.

Resolution Number FC/2022/2

MOVED by Mr Jones, seconded Mr Jackson:

That Report 22/299 Audit New Zealand - Final Management Report for the year ended 30 June 2021 be received.

The Committee acknowledges the recommendations made by Audit NZ and management's responses.

The committee also notes the a number of the recommendations could have been resolved earlier, if the Management report had been received in a timely manner.

That this decision is recognised as not significant in terms of S76 of the Local Government Act.

CARRIED

Mr Stephan Lucy (Audit New Zealand) address the table apologizing for the report coming to the Committee late. The Group Manager of Business answered members questions providing further information.

6.1 Finance, Audit and Risk Committee Resolutions and Actions Monitoring Report 2022

Previous resolutions were reported to the Finance, Audit & Risk Committee.

Resolution Number FC/2022/3

MOVED by Cr Isaacs, seconded Deputy Mayor Mason:

That Report 22/302 Finance, Audit and Risk Committee Resolutions and Actions Monitoring Report 2022 be received.

That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

That the Finance, Audit and Risk Committee notes the Finance, Audit and Risk Committee resolution and actions monitoring report.

CARRIED

6.2 Finance, Audit and Risk Committee Work Programme

The Finance, Audit and Risk Committee were provided with an outline of a Draft Work Programme.

Resolution Number FC/2022/4

MOVED by Mr Jones, seconded Cr Isaacs:

That Report 22/304 Finance, Audit and Risk Committee Work Programme be received.

That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

That the Finance, Audit & Risk Committee notes the Finance, Audit and Risk Committee Work Programme.

CARRIED

6.3 Eleven Month Report to 31 May 2022

The Finance, Audit & Risk Committee were presented with the financial report for the eight months to 31 March 2022.

Resolution Number FC/2022/5

MOVED by Cr Mitchell, seconded Cr Jennings:

That Report Eleven Month Report to 31 May 2022 be received.

That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

The Manager of financial planning and reporting joined the table highlighting the key points of this report.

6.5 Risk Management Status Report

The Finance, Audit and Risk Committee were reported on Council's risk landscape, risk management work in progress and to continue a discussion with the Committee about risk.

This report was provided for information purposes only and has been assessed as not significant.

Resolution Number FC/2022/6

MOVED by Mr Jones, seconded Cr Jennings:

That Report Risk Management Status Report be received.

That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

That the Finance, Audit and Risk Committee endorse the direction of the work underway to better understand risk, and Council's role in managing that.

CARRIED

The Group Manager of Business and the Procurement Advisor joined the table speaking to this report and clarifying points for members.

6.6 Health and Safety Quarterly Report

The Finance Audit and Risk (FAR) Committee were provided with an update on health and safety matters at Horowhenua District Council for the period 1 March 2022 to 31 May 2022.

Resolution Number FC/2022/7

MOVED by Cr Jennings, seconded Cr Allan:

That Report 22/273 Health and Safety Quarterly Report be received.

That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

The Health & Safety Lead joined the table providing some highlights and noting the positive impact of being able to do more training with staff in the health & Safety area.

7 Procedural motion to exclude the public

Resolution Number FC/2022/8

MOVED by Mr Jones, seconded Cr Brannigan:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Health and Safety Investigation

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

CARRIED

5.44 pm The public were excluded.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available.

6:05 pm

There being no further business, the Chairperson declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF FINANCE, AUDIT & RISK
COMMITTEE HELD ON

DATE:.....

CHAIRPERSON:.....

Proceedings of the Project Steering Group 1 June 2022

File No.: 22/368

1. Purpose

To report to Council on the proceedings of the Projects Steering Group (PSG) on 1 June 2022.

2. Recommendation

- 2.1 That Report 22/368 Proceedings of the Project Steering Group 1 June 2022 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Project Oversight / Key Highlights

Waitarere Surf Club Update

Council's Programme Manager provided an update on the progress with the Waitarere Surf Club.

Horizons Regional Council have granted the Resource consent. The detailed design for the building consent application is underway. Funding applications for the surf club external co-fund contribution have been submitted. The team have signalled there could be an increase to the forecasted budget for the project due to cost escalation and material availability.

Gladstone Road Project Update

Council's Infrastructure Group Manager provided an update on the new Gladstone Road alignment. Weather events have continued to effect progress on site, the site team were acknowledged for maintaining the temporary road access.

The permanent road works continue to track well. Earthworks is complete with pavement works underway. The bridge beams are currently being cast offsite, and the team expect the first to arrive in July. On-track for project completion November 2022.

Crown Infrastructure Partners (CIP) – Tara-Ika

Council's Principal Project Manager updated the Project Steering Group members on the progress with the CIP contract works for Tara-Ika.

The project is progressing well with the works on Tararua Road sewer almost complete. Next stages will involve bulk watermains and undergrounding of utilities. The team are working with Waka Kotahi to future proof connections with Tara-Ika including provisions for the central spine connection across O2NL.

Attachments

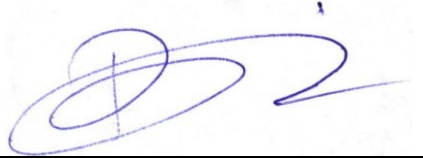
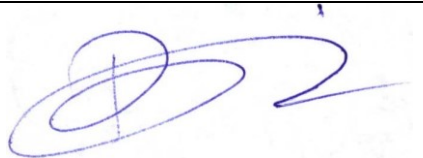

No.	Title	Page
A↓	Project Steering Group - Minutes -1 June 2022	15

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Brent Maguire Group Manager - Infrastructure Development and Operations	
Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
	Monique Davidson Chief Executive Officer	



Date: Wednesday 1 June
Time: 2:03 pm
Meeting Room: Council Chambers
Venue: 126-148 Oxford St
Levin

Projects Steering Group MINUTES

MEMBERSHIP

Chair	Cr Christine Mitchell	
Members	Mayor Bernie Wanden	
	Cr Wayne Bishop	
	Cr Ross Brannigan	
	Cr Sam Jennings	
	Mr Bryan Jackson	
Chief Executive	Mrs Monique Davidson	
Reporting Officer	Mr Brent Maguire	(Group Manager – Infrastructure Development)
Meeting Secretary	Miss Chloe Marheine	(Executive Assistant)
Officers in Attendance	Mr Tony Parsons	(Programme Manager)
	Mr Brent Harvey	(Group Manager – Communities and Partnership)
	Mr Daniel Haigh	(Principal Project Manager)

1 Apologies

There were no apologies.

2 Declarations of Interest

There were none.

3 Announcements

There were none.

4 **Review of Action Table**

Date of Meeting	Action	Responsibility	By when	Update
4 May 2022	Briefing to be provided to full Council on the following items: - LWWTP/ POT - Horowhenua Alliance contract extension	Brent Maguire	By the end of August 2022	Working with the officers and the Democracy team to schedule in appropriate briefing date.

5 **Confirmation of Minutes**

MOVED by Cr Mitchell, seconded by Mr Jackson:

That the minutes of the meeting of the Project Steering Group held on Wednesday, 4 May 2022, be confirmed as a true and correct record.

CARRIED

6 **Update on Capex Programme risks and opportunities**

Waitarere Surf club

Mr Parsons provided an update on the progress with the Waitarere Surf Club highlighting the following:

- Consent from Horizons has been granted.
- Funding application to NZSLS and ECCT submitted.
- Signalled a potential increase to forecasted budget for the project resulting from inflationary pressure and resource and materials availability.
- The project team will provide a further briefing on the breakdown of costs for the full turnkey solution, separating out the minimum requirements from the full turnkey scope.
- Report to Council in August seeking decision to proceed with build.

TANS Roof

Mr Harvey spoke to the presentation outlining the current issues with Te Awahou Nieuwe Stroom (TANS) roof.

- Mr Harvey noted the team have investigated the issues thoroughly and identified options including re-flashing or full roof replacement. There was further discussion about the options with members, and officers advised estimated costs for options will be brought back to Council.

Gladstone Road project update

Mr Maguire provided an update on progress with the construction of the new Gladstone Road alignment.

- Productivity on site hampered by the recent weather events.
- Acknowledged the site team for maintaining temporary road access.
- Bridge beams currently being cast offsite. Expect the first to arrive next month.
- Pavement works underway.

- Earthworks and drainage 90% complete.
- On-track for project completion November 2022.

Crown Infrastructure Partners (CIP) Contract update

Mr Haigh updated members with progress on the CIP contract works for Tara-Ika:

- Project is progressing well and meeting milestones.
- Works on Tararua Road sewer almost complete. Next stages involve bulk watermains and undergrounding utilities.
- Working with Waka Kotahi to future proof connections with Tara-Ika including provisions for the central spine connection across O2NL.

O2NL Business Case Update

Mr Haigh provided a verbal update on Waka Kotahi's O2NL business case:

- Officers have received the draft Detailed Business Case (DBC), currently under review and feedback will be provided to Waka Kotahi.
- Separate O2NL briefing of Council required before endorsement can be provided to Waka Kotahi.

7 Any other business

The following items were requested to be bought back to PSG for further discussion.

- Breakdown of final estimated costs for Waitarere Surf Club
- Costs for options for TANS Roof
- LWWTP /POT upgrade programme

The meeting closed at 4.03pm.

File No.: 22/406

7.1 Gladstone Road Realignment

1. Purpose

This report provides information about the forecasted cost to complete the Gladstone Road Realignment Project (the Project) and provides comment on options to complete the Project.

2. Executive Summary

The forecast cost to complete of the Gladstone Road Realignment Project (the Project) is \$6,260,000. This is a 26% increase on the original project estimate of \$4,950,000, which informed Council's Long Term Plan (LTP). The LTP budget included for the design, construction and client-retained costs as well as allowances for risk and contingency typical of the sector at the time.

The inherent risk allowances and contingency in the LTP budget has not been sufficient to absorb the impact of material cost increases and severe weather events.

The project team requests a budget level increase of \$1.26M to complete the full project scope.

3. Recommendation

- 3.1 That Report 22/406 Gladstone Road Realignment be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Council adopt Option 1: Complete Gladstone Road Realignment Project without reducing the Project's scope.
- 3.4 That Council provides delegation to the Chief Executive to conclude negotiations to award the final contract separable portion complete the Project.

4. Background / Previous Council Decisions

Since construction began, the site has incurred several significant weather events. Over the same period, the construction sector has seen sizeable inflationary pressure across labour, plant and materials. The impact of Covid traffic light settings are a force majeure event in construction contracts.

Emergency funding from NZTA is only available for a small portion of the total impact of the weather event. Rework caused by severe weather on projects currently under construction is ineligible for extra funding assistance. Contractors are passing on supply chain cost increases through mechanisms in their contracts. Meaning the client bears the burden of such cost overruns.

The LTP budget comprised an engineer's estimate of the construction costs, plus allowances for risk and inflation of 5-20% across various items. The material cost in the months immediately before and after the project's original estimate was complete were staying relatively static or decreasing. The additional allowances were based on the perceived risk and price uncertainty of the type of works at that time. For example, the allowance for cost fluctuation has been sufficient for most earthworks items, as material

costs do not significantly contribute to these costs. In contrast, items that included concrete, rock protection and aggregate have rising at a rate which would not have been reasonable to allow for in the budget at the time.

The procurement method involved the Early Contractor Involvement (ECI) procurement model. This approach brings the construction contractor into the early design stage in order to agree the scope and risk profile and to provide greater surety of the final outturn costs. The ECI model has been successful in providing a well-controlled design and construction methodology. To that end, a small contingency amount (\$300,000k) was included in the LTP budget to contain unforeseen risk and minor scope changes.

5. Discussion

The sections below provide further context and rationale for the increase in the forecast outturn cost.

Temporary Access Track

The original project estimate assumed that the old Gladstone Road would be usable during construction. This meant minimal traffic management would have been required.

The permanent closure of the old road due to the June 2021 land slip necessitated a temporary emergency access track to be constructed. The construction of the temporary access track has been funded by emergency works but impact of the temporary track on the permanent road has become a project cost. Having a public road traverse the work site has meant design alterations for the temporary works for the bridges, drainage and pavements and resulted in less efficient construction methodologies.

The complications to the Project caused by the Temporary Track have been estimated to have impacted costs by \$250k-\$350k, this estimate is primarily composed of direct traffic management costs and costs relating to methodology changes.

Extreme Weather Events

The project site has experienced five separate instances of heavy rainfall during construction. All of which have required remedial works and interruption of the main works. The temporary track is not suitable for all vehicles, including ambulance and some fire appliances. The track is vulnerable to poor weather, has closed numerous times due to washouts, and the river ford is often impassable. Maintaining the track and prioritising local traffic has a material impact on project timeframes and costs.

The complications to the Project caused by the extreme weather events have been estimated to have impacted costs by \$80k-\$150k, this estimate is primarily composed of rework and repairs which have been required after these extreme events. These costs are separate to the costs incurred from damage to the temporary track. Costs relating to the loss of productivity due to these events, as well as general poor weather have been absorbed by contractors.

Emergency Works Consenting Provisions

We are delivering the Project under the emergency works provisions of the Resource Management Act. The original budget assumed a normal consent process that would have identified a standard set of earthworks, environmental and erosion control conditions before we started. Instead, the emergency works consenting provisions have complicated the delivery due to the lack of active consent conditions.

Horizons will assess the work and grant a consent in arrears. That risks rework of the scope. Especially since the project traverses active river channels. Without explicit the limits that consent conditions provide we have had to assume more extensive environmental controls, plans and monitoring of the site.

The complications to the Project caused by the Emergency Works Consenting Provisions have been estimated to have impacted costs by \$100k-\$140k, this estimate is primarily

composed of higher management, environmental services, and stakeholder engagement costs, as well as higher cost environmental control devices, such as larger sediment and retention ponds.

Material Cost Increases

The LTP budget included an assumption that cost increases over the (then) 12-month construction period would be in keeping with the trend in escalation rates across the sector at that time. There was a lengthy delay waiting for NZTA funding assistance and the associated approval to start works. We signed the Project's operative ECI contract in February 2022, inclusive of updated assumptions on risk and cost escalation to that time.

Appendix A charts the increase to cost in materials used for the Project, from the date of the original Project Estimate to today.

Cost increases against the LTP budget have escalated at a rate higher than the ECI contract could foresee at the time - diesel (130%), concrete (50%), reinforcing steel (57%), structural steel (53%) and bitumen (48%). Allowing for such dramatic cost escalations in the original estimate would have been unjustifiable and would have far exceeded what we believed to be a reasonable total outturn cost at that time.

The complications to the Project caused by the Material Cost Increases are difficult to quantify. A broad level estimated range of impacted costs to the Project is \$700k-\$1,150k, this estimate is broadly based on concrete, steel, aggregate and diesel cost increases.

Cost Increase - Offsets and Mitigation

Value Engineering

We have carried out a number design revisions that have significantly reduced the size and scale of earthworks in the project. The reduction in earthworks quantities has reduced cost of the Project by \$393,000 from the design used in the original estimate. Earthworks are a major component of the Project. However they are relatively unaffected by cost escalations, with the exception of diesel and labour cost increases.

Rapid cost escalations affect the concrete and steel bridges the most. Clearly, we cannot adjust their scope for safety and structural engineering reasons.

Land Improvement Value

An unplanned benefit of the Project is the increase in the value of the surrounding (surplus) Council-owned land. An estimate of the increase in land value caused by the project is underway but unavailable at the time of writing. This uplift in land value could be an offset to the increase in the project budget.

Project Benefit to Cost Ratio

As part of the original cost estimate and business case to NZTA, an economic analysis was completed which compared the cost of the original estimate against the benefit of eliminating the costs of constantly clearing the old slip. The original benefit to cost ratio was 5.87. Which is high. The ratio of the fully funded Option 1 is 4.42 which is also high. Meaning even at Option 1, the Project remains economically advantageous to Council and the community.

NZTA Financial Subsidy

The Project received a 62% funding subsidy from NZTA against the original budget. We have applied to NZTA for a subsidy for the additional \$1.26M on the same grounds as outlined in this memo. We believe that is fair and reasonable. The NZTA subsidy rate has decreased for the 2022/23 financial year from 62% to 61%, which means the Council share of the cost increase amounts to \$491k.

We expect a decision from NZTA in mid to late August on the cost increase subsidy.

6. Options

We capped the construction contract at the LTP budget of \$5M. The contractor needs Council approval to exceed the budget cap. We have incurred \$3.5M of costs to date and have committed the remaining \$1.5M to complete the two bridges on site. We do not have enough budget remaining to complete the road itself. Outlined below are three options to consider.

Option 1 – additional \$1.26M (Recommended)

Deliver the entire project as per the original scope, which will provide two new one-lane bridges and a two-lane, six meter wide sealed road through the entire realignment.

This option will provide a road with a higher level of service than the former Gladstone Road, including all-weather accessibility for all classes of vehicles, emergency services and heavy trucks. This option will not require Trig Road as a detour anymore.

This option has the highest capital cost, but lowest operational maintenance cost. Noting the most cost efficient opportunity to complete the project would be now, due to rising material costs and the currently established contractors.

This option includes a \$110k contingency sum. The project risks are well understood and prices are able to be fixed in existing contracts, however this contingency value has been included to account for risks of further extreme weather events, Covid related costs and time delays or other unforeseen project risks.

Option 2 – additional \$0.8M

Finish the bridges and reduce the road formation, leaving the road unsealed. This means approximately one third of the realignment would be one lane only with passing bays. We would complete ensure two lane width on the steepest sections of road to prevent conflict between cars and trucks.

We would complete the earthworks for the full two-lane formation, which would enable a future upgrade to match the design of Option 1. Noting that a future upgrade will come at a higher cost than delivering Option 1 under the current contracts.

We estimate Option 2 would incur up to \$30K more maintenance per year than Option 1. Equally, it may not be possible to provide all-weather accessibility for heavy trucks and emergency services due to the unsealed road and steepness of some of the gradients.

This option includes a \$100k contingency sum. The project design is well understood and prices are able to be fixed in existing contracts, however this contingency value has been included to account for risks of further extreme weather events, Covid related costs and time delays or other unforeseen project risks. This contingency sum is valued at a similar value to option 1, as the risk exposure between the two options is similar, despite the overall variation in value.

There is a risk with this option that NZTA could review the funding they have already allocated to this project as design standards would not be met.

Option 3 – No additional funding

Complete as much as possible with the \$5M LTP budget, prioritising the bridges. This option would involve de-scoping the permanent road formation in lieu of making the current temporary access track as safe and accessible as possible within the existing budget. This option will provide accessibility to smaller commercial vehicles, but not logging trucks or urban firefighting appliances. Buses and cars might have difficulties using this road in poor weather.

Option 3 would not match the levels of service for Options 1 or 2. Option 3 would also result in an annual maintenance cost of approximately \$50,000 per year more than Option 1.

Furthermore, Option 3 would present sub-standard geometric alignment, increase the risk of crashes and would limit accessibility for vehicles during stormy weather.

There is a risk with this option that NZTA could review the funding they have already allocated to this project as design standards would not be met.

6.1 Cost

In the event NZTA rejects our application, and we opted for Option 1, we would draw the \$1.26M from relevant land transport activities across the next two financial years.

The reallocation of these budgeted amounts are justifiable as we are constructing two new bridges and would have needed to rehab and upgrade the old Gladstone Road in any case. The Project is meeting the same objectives that these other roading budgets are intended for. The works which these budgets would otherwise cover will be re-prioritised and programmed for 2023-2025. The reallocated budgets are identified in the Financial Considerations section of the report.

If Option 1 is delivered at a lower cost due to an unspent contingency sum or we either select a lesser cost option, or and/or receive subsidy from NZTA, then these amounts would proportionately decrease.

Option	Total Cost
1	\$6,260,000
2	\$5,800,000
3	\$5,000,000

6.1.1 Rate Impact

There will be no Rate impacts arising from this project, as the cost increase is intended to be covered by reallocating existing land transport budgets

6.2 Community Wellbeing

Option 1 has no negative impacts on community wellbeing, as it will deliver full, all weather access to all vehicles to the Gladstone Road community

Option 2 will have some community wellbeing impacts, as the overall resilience and accessibility of Gladstone Road will be impacted, which will occasionally impact the Gladstone Road community's ability to enjoy and operate their homes and businesses.

Option 2 will have some community wellbeing impacts, as the overall resilience and accessibility of Gladstone Road will be severely impacted, which will regularly impact the Gladstone Road community's ability to enjoy and operate their homes and businesses

6.3 Consenting Issues

We are delivering the Project under the emergency works provisions of the Resource Management Act. A Resource Consent Application has been submitted to Horizons Regional Council for the construction of the Gladstone Road Realignment. Currently we are progressing Iwi engagement on the project, which is the final information required for the resource consent decision.

6.4 LTP Integration

The Project is included in the LTP within the "Capital Expenditure for Land Transport Primary Type – to replace existing assets" with a budget of \$5M allocated to the 2021/22 financial year.

7. Consultation

If options 2 or 3 are selected, targeted engagement with the Gladstone Road community and businesses will need to be undertaken in order to realign expectations to the resulting lower level of service.

8. Legal Considerations

There are no Legal Requirements or Statutory Obligations affecting options for the Project.

9. Financial Considerations

The table below summarises the annual expenditure for the Project through to completion for Option 1.

Table 1: Actual and Forecast Project Expenditure

2021/22 (actual)	2022/23 (Forecast)
\$ 3 781 097	\$ 2 478,921

The table below shows the existing Land Transport budget to be reallocated over the LTP period to account for the increased Project expenditure. The values will proportionately decrease if Options 2 or 3 are selected.

Table 2: Budget Reallocations

Existing Budget	Value to be reallocated
Bridges and Structures (Renewals)	\$330,000
Pavement Rehabilitation (Renewals)	\$610,000
Structures Components (Renewals)	\$100,000
Subsidised Roading (Level of Service)	\$220,000

10. Iwi Considerations

The project team is continuing consultation with Iwi partners on the project. The project team is working alongside Mana Whenua in considering environmental mitigation and improvement opportunities within the site extents.

11. Climate Change Considerations

Option 1 will significantly improve the resilience of access to the Gladstone Road community, by providing a road which is far less likely to experience closures during severe weather events which are predicted to be more frequent due to climate change.

Options 2 and 3 will provide a climate change resilience improvement when compared to the state of the road prior to the project's start, but will be less resilient to severe weather events than option 1.

12. Environmental Considerations

Environmental considerations are being managed through a comprehensive Environmental Management Plan.

There are no significant variations in the Environmental impacts of the considered, however as large sections of options 2 and 3 will remain unsealed, there would be a higher risk of sediment runoff entering the Ohau River during high rainfall events.

13. Health & Safety Considerations

Health and Safety during construction is being managed through a comprehensive health and Health and Safety Plan.

Options 2 and 3 may be considered to have a health and Safety impact on residents as a result of the higher risk of road closures, and by making accessibility to emergency services more difficult during severe weather events.

Option 3 may be considered to have a health and safety impact on road users, as Option 3 will not be able to provide a geometric road alignment which meets safety design standards.

14. Other Considerations

The local community expects us to deliver a fully resilient replacement for the former Gladstone Road. There is tremendous support and enthusiasm for the project among all users of the road. Each of the options above still improve the former level of service. However, anything other than Option 1 will be a hard sell to the locals.

NZTA also have an expectation that their funding assistance goes toward the delivery of roads to proper geometric, safety and structural standards and specifications. We have applied for a budget level increase from NZTA against Option 1 for the same reasons in this memo.

If Option 2 or Option 3 is selected, there is a risk that NZTA may require a portion of their subsidy to be repaid, Options 2 and 3 will not meet NZTA specifications, and will not meet the all the outcomes described in the original business case. We have not tested NZTA's opinion on this risk at this stage.

15. Next Steps

The project team recommends Option 1 as the best way forward, noting that it will require Council approval of a budget increase of \$1.26M to complete the Gladstone Road project.

We are aware that this request parallels other projects such as the Foxton Pool and Waitarere Surf Club. It is likely Councillors will want to take a wider perspective on their financial liabilities at this time. Unlike the other two projects, Gladstone Road is well over half way through construction, has a sound understanding of the scope and cost to complete, but is pushing up against its budget.

16. Supporting Information

Strategic Fit/Strategic Outcome

The recommendations will ensure Council is providing Fit for purpose Infrastructure which supports Council's community outcomes of providing Strong Communities and a Vibrant Economy.

Decision Making

The decision can be made through the LTP, as the recommendation is to reallocate other Land Transport Budgets which would otherwise be used to meet the same Community Outcomes for which the reallocated budgets were originally intended.

Consistency with Existing Policy

The recommendation is in line with all relevant Council policy.

Funding

Funding is enabled through the 10 year plan, as the recommendation does not alter the net Land Transport Capital Expenditure as adopted in the LTP.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

No.	Title	Page
A↓	Gladstone Road Realigning Material Cost Increase Chart - CONFIDENTIAL	

Author(s)	James Wallace Roading Services Manager	
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Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
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	Monique Davidson Chief Executive Officer	
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File No.: 22/370

7.2 Foxton Pool - Consideration of Options

1. Purpose

The purpose of this report is to present options for consideration on the proposed redevelopment of Foxton Pools and seek direction as to the way forward with this project.

2. Executive Summary

Engineering assessments have confirmed the building at Foxton Pools is in poor condition and requires urgent investment to secure the facility. The current pool building was constructed without a vapour barrier, thermal insulation, or mechanical ventilation. This design directly contributes to high condensation and variable internal temperatures. Excessive condensation has led to high moisture, promoting the risk of fungi and structural decay. The building is performing poorly, accelerating the deterioration of the structure, plant, and equipment and if nothing is done, in time, it will become a safety issue.

The future of Foxton Pools was a key consultation topic as part of the 2021-41 Long Term Plan and five options were developed and included in the draft Long Term Plan for community feedback. Council resolved to implement an option based on replacing the existing building and retaining the existing pools with no modification. Funding of \$2.6m was allocated for the redevelopment with the intention that construction should commence following the closure of Foxton Pools in Autumn 2022.

Officers have been working through the process to appoint a contractor for construction and received an indication of the significant increase in cost due to escalation. Increasing material costs, volatile supply chains, and a shortage of skilled workers have contributed to rapid cost escalation across the sector. The cost to construct a basic rebuild of Foxton Pools has risen from \$2.6m (QS based on a concept design in December 2020) to \$5.8m putting the project at risk if additional funding is not secured. This reports seeks to provide Council will relevant information, and seek direction from Council on a way forward.

3. Recommendation

- 3.1 That Report 22/370 Foxton Pool - Consideration of Options be received.
- 3.2 That this matter or decision is recognised as significant in terms of S76 of the Local Government Act, noting that the Foxton Pool is a strategic asset as part of Council's significance and engagement policy.
- 3.3 Option 1 – Council Approves the funding shortfall of \$2,859,507 based on the full scope of work proposed or;
- 3.4 Option 2 - Council Approves the funding shortfall of \$2,120,507 based on a reduced scope, or
- 3.5 Option 3 - Council re-consults with the community on the increased costs via the 2023 AP/LTP, or
- 3.6 Option 4 - Council gives direction to retender the work via an open and competitive tender process, or
- 3.7 Option 5 - Council continues to operate Foxton Pools for as long as it safe to do so, or
- 3.8 Option 6 - Council closes Foxton Pools and provides a shuttle service for Foxton Residents to and from Levin Aquatic Centre.

4. Background / Previous Council Decisions

Foxton Pools originally opened in 1927 as an outdoor pool on Easton Park. The outdoor pools closed sometime after 2007 but were never demolished. In December 2007, a new indoor facility opened that included a 25x10metre (4 lane) pool, 10x5metre teaching pool and a small toddlers' pool.

The 15 year old facility is in poor condition. The building design is inadequate to cover the pool and the building is unable to satisfy the durability requirements of the New Zealand Building Code.

Correspondence between Council Officers and the engineer during the design of the facility indicate that critical future proofing elements were eliminated from the original design in order to ensure the project was delivered within budget.

"These changes will provide a basic translucent covered pool without "future proofing" and with all the normal inherent characteristics of these enclosures. There will be excess condensation with internal "fog and rain" at times and excessive internal temperatures at others."

There have been several reports commissioned on Foxton Pools in the past, as an attempt to address known, temperature, ventilation and condensation related issues with the current building which are detailed below.

Foxton Pools Condensation Remediation 2015 – Commissioned to investigate and report on the causes and options for mitigation of condensation at Foxton Pools. The report found the building is a comparatively low-cost structure with a relatively short useful life (before major work is required). The report suggested making the best use of the existing facility without major changes and recommended a range of operating changes to improve the situation.

Foxton Pools Ventilation & Structural Issues Report 2016 – Commissioned to investigate options to address overheating of Foxton Pools due to solar gains in summer and the potential for the facility to operate year-round. The report found the overheating of Foxton Pools is a direct consequence of the design of the building. It was noted elimination of condensation was not possible due to the design of the existing building.

The report also examined the structural capacity of the building. The modelling found the structure is adequate for existing loading arrangement (Ultimate Limit State). Deflections (Serviceability Limit State) were identified under wind loading (1 in 25-year event) due to a lack of bracing. The excessive deflections reported in the portal frames under wind and seismic load could cause loosening of nails (slippage) and potential loss of strength at steel plate connections.

Foxton Pools Year-round Operation Feasibility Report 2017 – Commissioned to examine improvements that could be made to enable Foxton Pools to operate year-round as follow-up to the 2016 report. The report identified the introduction of a mechanical (fan-forced) ventilation system providing heated air would be required to operate the facility year-round. However, as the building is uninsulated, the cost of heating the building will be very high and formation of condensation will be inevitable. The report stated heating the building without addressing the insulation is considered very poor, if not unacceptable, practice.

An outcome of the **2018–38 Long Term Plan** was Council resolving to increase the season length at the Foxton Pools from five months to eight months (with the new season running from 01 September to 30 April).

Foxton Pool Condition Assessment – As part of the Horowhenua Aquatic Facility Strategy 2020, a condition assessment of the Foxton Pools was commissioned to understand the condition of the entire facility. The assessment:

- Reconfirmed the lack of building insulation and vapour barrier contributes to significant condensation and has consequential impacts on the building with durability set at 5 years maximum.
- Single glazing joinery contributes to lack of thermal performance.
- The ceiling, walls and doors were recommended for replacement.
- The Myrtha pool membranes are in reasonable condition with the tiles at scum line in fair condition with some chips. The toddler and learner pool were recommended for membrane and tile replacement in 3 years and the main pool in 5 years, along with pool overflow channels.
- The resin flooring is in excellent condition.
- Corrosion identified on most of the pool plant.
- Pool boiler in relatively good condition.
- Pools fans rusting and insufficient for the facility.

While there are significant construction issues that need to be addressed relating to the building, the tanks and membranes are only 15 years old and in reasonable condition for their age. The pool tanks that were constructed in 2007 are of concrete construction and are overlaid with a Myrtha pool membrane. While the membrane will typically need replacing every 10-15 years it is not uncommon to expect 50 years life from the concrete pool tanks. There is a lot of life and value left in these assets given the initial investment.

Horowhenua Aquatic Facility Strategy 2020 – Horowhenua District Council developed an Aquatic Facilities Strategy to provide a blueprint for the future development of its aquatic facilities. Key findings from the Strategy were:

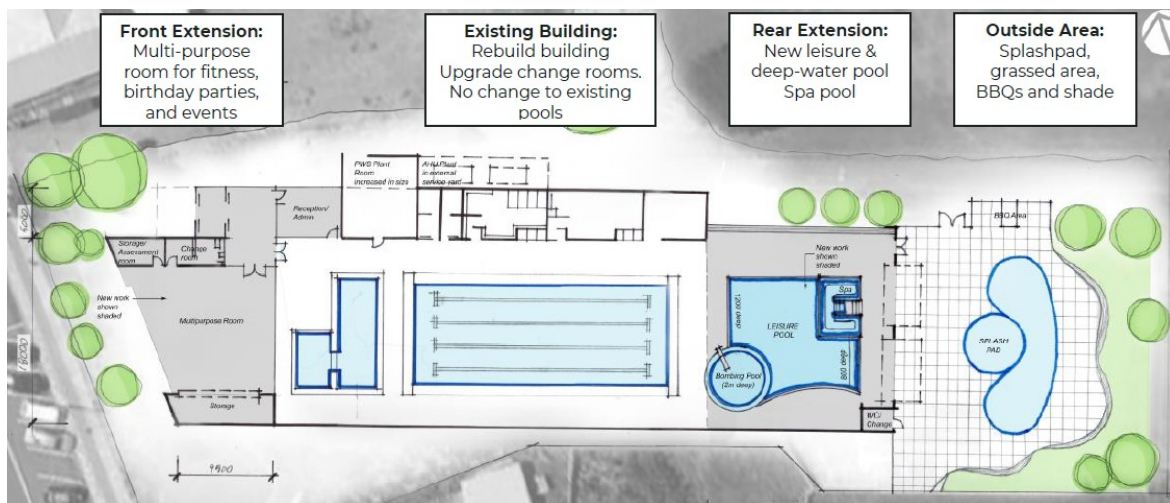
- Current provision of all-year water-space is low and additional water space will be needed to meet demand from population growth.
- A gap in the provision of leisure water-space exists.
- There is a high demand from aquatic water sports.
- A growing older population supports demand for hydrotherapy.
- Levin Aquatic Centre is under-sized and needs to be expanded.
- Foxton Pools have critical building issues and have low use.
- Jubilee Park Paddling Pool is aging and unsupervised.

While the Strategy is a comprehensive piece of work, it is worth noting that the Strategy was never formally adopted by Council.

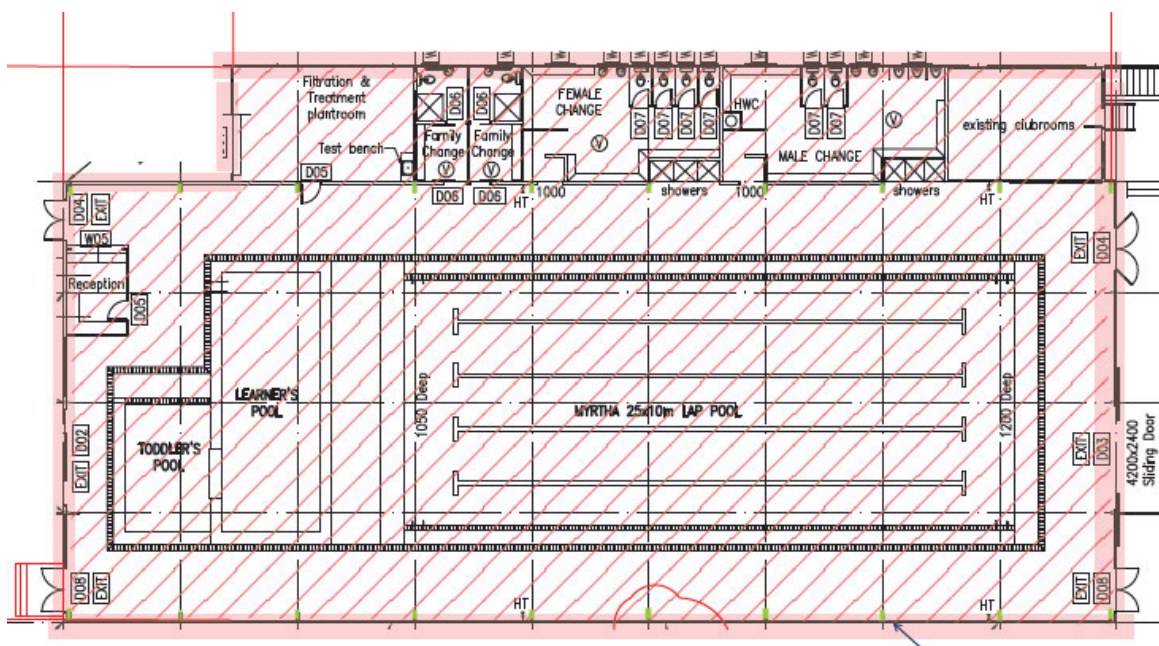
Foxton Pool Feasibility Study 2021 – Following development of the Horowhenua Aquatic Facility Strategy, Council resolved to undertake a feasibility study to explore future options for Foxton Pools. This feasibility was fast-tracked to inform the 2021-41 Long Term Plan. The feasibility study concluded that an All-year Indoor/outdoor Leisure Facility, at an estimated capital cost of \$9.4 million was the strongest overall option delivering wide ranging benefits for the community and visitors.

Long Term Plan 2021-2041 – The future of Foxton Pools was a key consultation topic as part of the 2021-41 Long Term Plan. Five options were developed and included in the draft Long Term Plan for community feedback. The five options included:

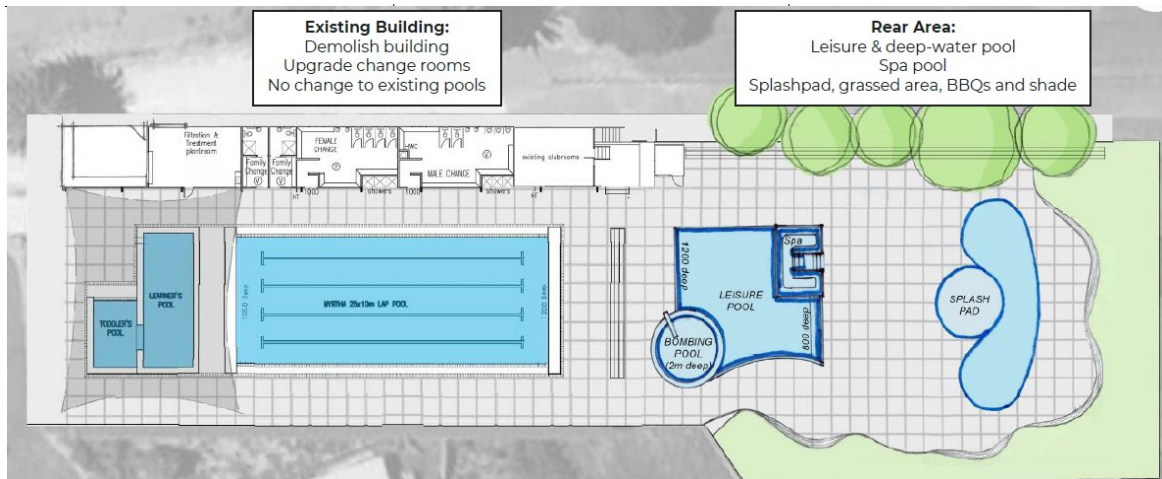
Option 1 – All-year indoor leisure pool, estimated cost \$9.4m



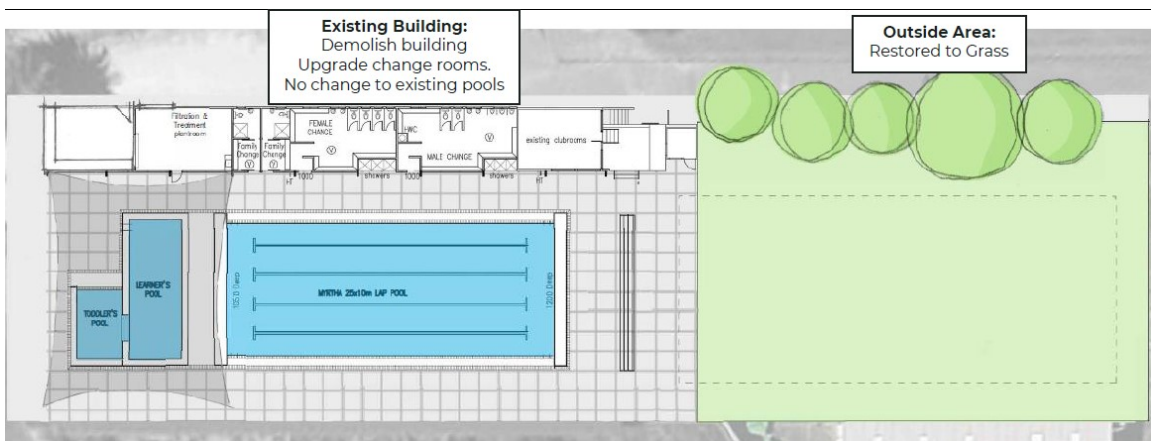
Option 2 – All-year basic swimming pool, estimated cost \$2.6m



Option 3 – Seasonal outdoor leisure pool, estimated cost \$4.4 million.



- Option 4 – Seasonal basic swimming pool, estimated cost \$1.9 million.



- Option 5 – closing the facility.

The Council resolved to implement Option 2, an option based on replacing the existing building and retaining the existing pools with no modification. Council encouraged Officers to seek external funding to add additional aquatic and leisure elements as funding became available and ensure that the facility is constructed in a way that will allow for future expansion.

Funding of \$2.6m was allocated for the redevelopment with the intention that construction should commence following the closure of Foxton Pools in Autumn 2022. At the time of developing the consultation document we understood the cost to construct a basic facility rebuild to be \$2.6m as indicated by the QS of the concept at the time. The community supported the rebuild of the facility as demonstrated by the feedback received during the Long Term Plan. In preparation for construction officers have received a cost to build the facility and it is significantly higher than what we anticipated. We have the ability to construct the facility if the additional budget is approved, however if the decision is not to proceed it is a likely that at some point in the future we may need to close the facility due to the deterioration of the building.

5. Discussion

Confidence in the Price

Officers received an indicative cost to construct of \$5.7m in April 2022. This was based on the preliminary design and outline specification that was completed in February 2022. The price was based on known market costs from an organisation that has a solid track record in Aquatic Facility construction and are currently managing a number of aquatic facility developments throughout the country.

Officers socialised the escalation in cost to Elected Members at a briefing on 04 May 2022, along with potential options to reduce the scope to bring the cost down. Elected Members requested further interrogation of the costs to provide confidence that this was a true reflection of the current market and HDC was receiving value for money.

Officers engaged the Quantity Surveyor who undertook the initial assessment to inform the LTP to carry out an elementary cost assessment. The results of this confirmed that the cost received by Council was indicative of the current market.

	QS Estimate December 2020	QS Estimate June 2022	Contractors Quote April 2022
Construction	1,697,000	4,681,000	4,779,349
Professional Fees	408,000	703,000	648,458
Consent Fees	31,000	24,000	35,000
Project Contingency	428,000	271,000	240,974
TOTAL		5,679,000	5,703,781

While there have been increases in the non-construction related project costs the key driver for the escalation in cost is primarily construction. Inflation, a shortage of materials, shortage of labor coupled with the extremely high volume of construction have significantly increased the cost to build and this is impacting a number of capital projects nationwide.

The other point to note when comparing the December 2020 estimate with June costings is the addition of a Spa Pool, construction of a new entrance / reception area and addition of a platform for the mechanical ventilation, these components combined contribute to approximately \$1.08m as discussed below.

Options to reduce Scope

Officers have investigated options to reduce the cost of the development to \$4.73m. This can be achieved by:

Option	Saving	Impact
Remove the Spa Pool	\$419,000	Reduces amenity and appeal.
Remove new Reception Area	\$305,000	The reception area and new lobby as designed allows for better control of the interior environment, and for reception equipment to be out of the pool environment.
Relocation of Mechanical Plant from roof	\$330,000	This option deletes the roof mounted deck for mechanical equipment and relocates the air handlers to ground level.
Project Savings	\$25,000	By incorporating all of the above.
TOTAL	\$1,079,000	

Project Contingency

At the time of receiving the proposal it was noted that the current rate of inflation was approximately 12.5% which equates to approximately \$47k per month based on a \$4.5m project. The price received included a contingency sum of \$240k. Given that there has likely been further escalation from the time the quote was received in April through to now, Officers have increased the contingency by \$100k to mitigate this escalation. If the contingency is not required it will be classed as a project saving.

External Funding

An outcome from the LTP was that Officers were encouraged to apply for external funding to add additional aquatic elements to the design in an effort to increase the appeal of the facility.

An additional \$400,000 has been secured for the inclusion of a spa pool as part of the facility rebuild. If the spa pool was removed from the scope as part of the cost saving measures, Officers would need to return this money or seek approval to repurpose the funding to be used to fund the rebuild of the facility.

Additional sources of funding that could be considered to offset some of the shortfall are the Foxton Beach Freeholding Account and Three Waters Better off Funding. Applying to these funds would require a resolution of Council.

Procurement Strategy

A number of factors influenced the procurement approach for the Foxton Pools Redevelopment and a procurement plan was approved internally by the Procurement Review Group for a direct approach to market. This approach was on the basis that HDC would receive a greater level of cost certainty from the outset, limit cost escalation risks and widely known supply chain issues, and ultimately provide greater value for money. Officers made a direct approach to a contractor who has a proven track record in managing Aquatic Facility developments and received the indicative price for construction, no commitments have been made past this point. It is acknowledged that Elected Members were not involved in this process due to the interpretation of the delegations manual.

This procurement approach does not mean that the process is not competitive. As part of the proposal requested, the contractor is required to produce a detailed subcontractor procurement strategy and show how they intend to work within the parameters of the HDC policy to ensure a competitive and fair process. Individual trades will be tendered on an open book basis, and HDC will have full visibility of this.

Other benefits of this procurement approach include:

- Developing the design alongside the development of the contractor's methodology results in early identification of constructability concerns and opportunities for time and cost efficiencies.
- Early involvement of construction experts allows for earlier identification and therefore mitigation of projects risks.
- A rigorous design process which involves construction experts minimises the risk of expensive variations during construction, design changes are always cheaper when they are made earlier.
- The contractor understands the particular risks that aquatic buildings have to the building fabric and have specialist expertise and knowledge in insulated panel construction.

Aquatic Facilities are a specialist discipline due to the high technical complexity of the requirements. The structures have to handle damp and highly corrosive environments.

- Early engagement with a contractor allows materials (Kingspan panel, skylight material) to be ordered early to limit delay due to supply chain issues. This is not possible under a traditional approach unless the materials are procured by HDC and supplied to the contractor which in turn creates additional risk for HDC.
- The contractor is able to provide market pricing on building elements as the design and documentation is being developed, allowing the real price implications of design decisions to be easily understood.

Long Term Plan Analysis

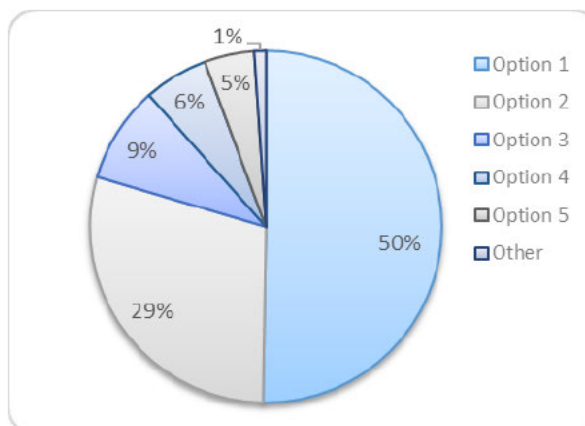
Five (5) development options were considered in relation to Foxton Pools as part of the Long Term Plan 2021-2041 (LTP).

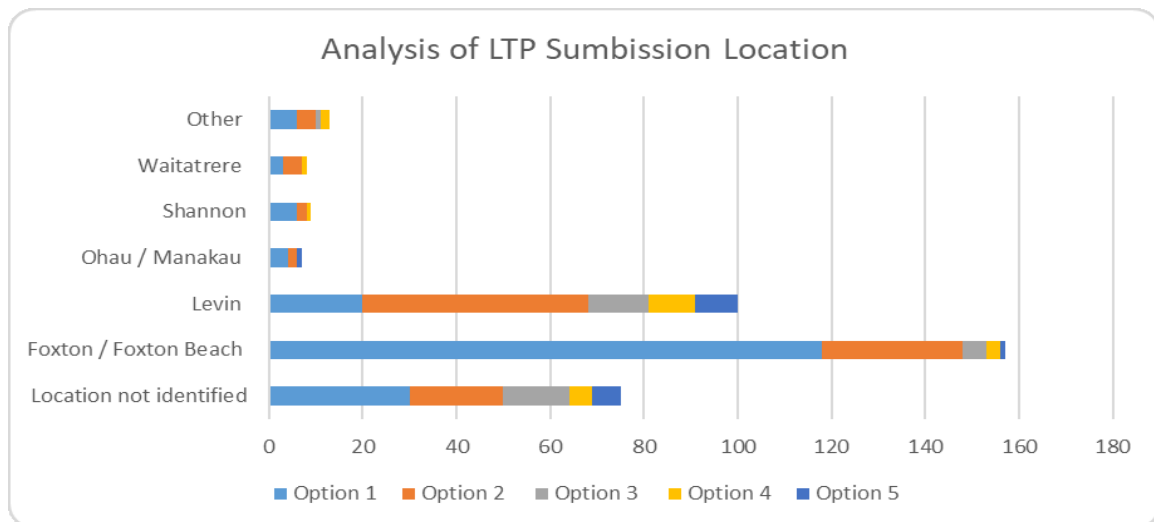
Option	Description
1	All Year indoor / Outdoor leisure Pool Rebuilding and extending the building to provide an all-year facility with lap pool, teaching pool, leisure pool, multi-purpose room and outdoor splashpad
2	All year indoor Basic Pool (Rebuild of Existing) Rebuilding to provide an all-year facility with lap pool and teaching pool. Outdoor area restored to grass.
3	Seasonal Outdoor Leisure Pool Removing the building to provide an outdoor facility with lap pool, teaching pool, leisure pool and splashpad.
4	Seasonal Outdoor Basic Pool Removing the building to provide an outdoor facility with lap pool and teaching pool. Existing outdoor area restored to grass.
5	Close the Facility Demolish the facility and restore to grass.

There were 372 responses in relation to the future of Foxton Pools as part of the LTP.

79% of submitters were in favor of Option 1 (All-year indoor/ outdoor leisure pool) or Option 2 (All-year indoor basic pool). This is consistent with the community engagement component of the Foxton Pool Feasibility Study, which identified one of the most important factors in thinking about the future of Foxton

Pools was having a pool that operates year round (71% of respondents). The location of those who submitted to the LTP and their preferred option is illustrated below.





Facility Trends and Usage

Foxton Pools operates eight months of the year from September to April. The pool is open from 11am to 7pm weekdays, 10am to 6pm weekends and 11am to 6pm public holidays.

Children are the dominant visitor, making up 54% of visits over the last 5 years. This is on par with national indicators where children typically comprise 50% to 66% of swimming pool visits. Adults make up 35% of visits (combination of adults and spectators). This is also on par with national indicators.

Seniors make up only 1% of visits over the last 5 years; however, it is likely that visits by older people are captured in the fitness visitors (for Aquafit and movement programmes), which are popular with the older age-groups.

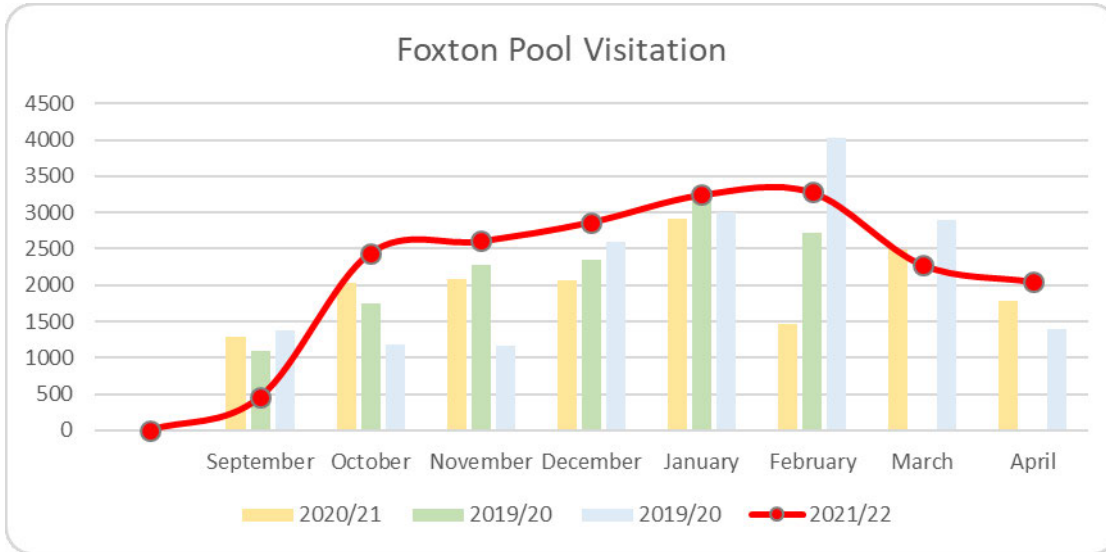
Learn To Swim operates in Term 4 and Term 1 and a shortened programme during the school holidays.

Aquafit is a popular programme attracting up to 30 participants per class. There are currently seven Aquafit sessions offered per week at Foxton Pools.

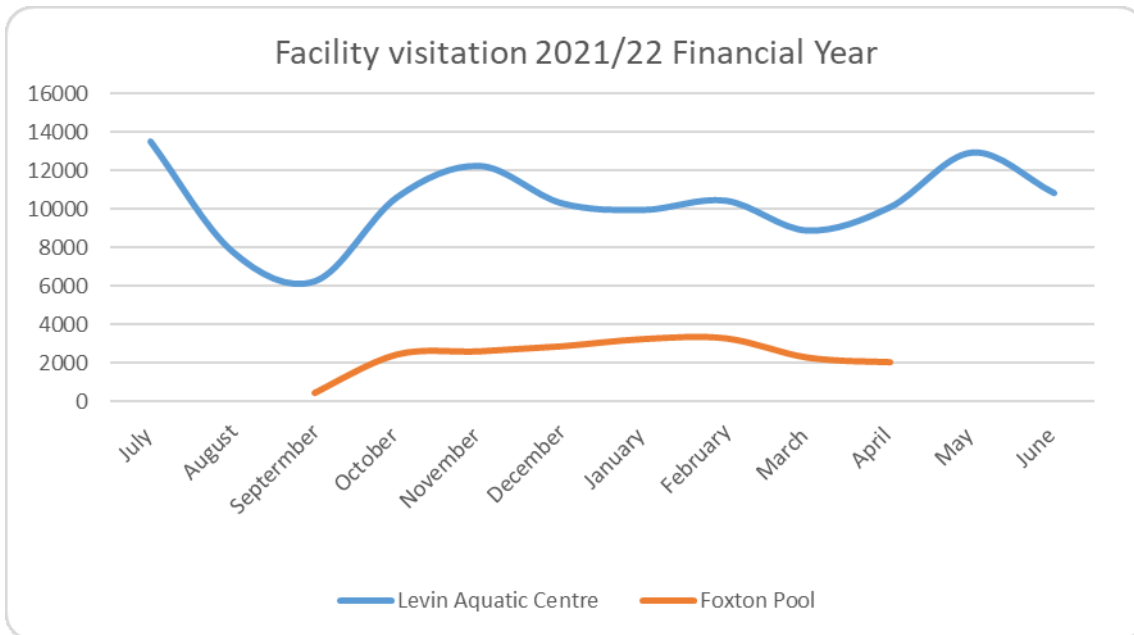
The structured nature of the facility combined with condition issues and internal environment are likely to be contributing factors around the low usage.

2022 Foxton Pools Season Snapshot

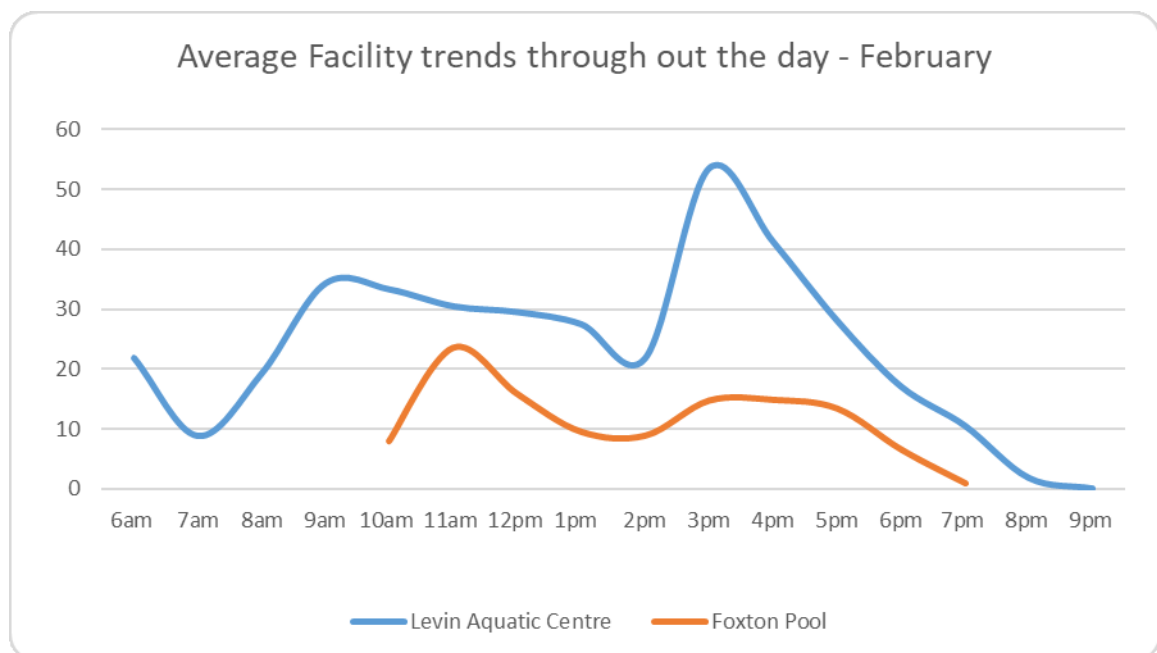
- Total visitation – 19,223
- Average visitation per day – 79
- Average visitation per month – 2403
- T4 Learn To Swim = 68; T1 Learn To Swim = 45
- Foxton Surf Lifesaving Club is a heavy user of the facility (Multiple lanes booked each week)
- School usage
 - Coley Streey – 1 booking
 - Bainesse School – 1 booking
 - Foxton Beach School – 14 bookings
 - Foxton Primary School – 12 bookings
 - Shannon School – 11 Bookings



Foxton Pools in comparrison to Levin Aquatic Centre



The graph below illustrates the number of people entering the facility throughout the course of the day. This is based on the average day for the month of February and directly compares Levin Aquatic Centre to Foxton Pools. It clearly shows that the peak usage at when water space is in high demand is between 3pm and 6pm at Levin Aquatic Centre and between 10am and 12 at Foxton Pools. This is consistent with the structured nature of the facility and popularity of the Aquafit classes.



Operational impact

Operational modelling has been developed using general assumptions as detailed below.

Components	Current	Proposed
Facility Components	Indoor lap pool 4 x 25m Indoor teaching pool Toddlers pool	Indoor lap pool 4 x 25m Indoor teaching pool Toddlers pool Spa pool
Operating Hours	8 month operation Weekdays 11am to 7pm Weekends 10am to 6pm	12 month operation Weekdays 6am to 7pm Weekends 8am to 6pm
Pool Staff	Team Leader 2 Senior Lifeguards Lifeguard hours 118 per week	Team Leader 2 Senior Lifeguards Lifeguard hours 118 per week
Learn To Swim Staff	260 Hours of Swim Lessons	520 hours of Swim Lessons
Aquafit Staff	360 Hours per year	360 Hours per year

Revenue	Current 2022 Figures	Estimated Revenue and Expenditure for 2022/23 (Included in LTP)
	8 Month Season	12 Month Season
General Admissions*	21,542	46,708
Bookings	7,384	8,609
Programmes	7,951	14,261
Retail Revenue	2634	5,079
Swim School	13150	40,200
Total Revenue	52,660	114,857
Expenditure		
Staff - pool	202,200	317,910
Staff – Learn To Swim	7,000	14,230
Staff Fitness	9,000	15,750
KiwiSaver and ACC		11,638
Utilities	82,000	122,000
Repairs and maintenance	7,000	40,000
Administration	888	10,000
Other	-	5,000
Total Expenditure	274,888	536,528
Net Loss	- 254,340	- 421,671
Loss per month	- 31,793	- 35,139

*A consistent pricing strategy has been used based on current entry prices, there is opportunity to consider a higher entry prices (the same as Levin Aquatic Centre)

Investigation into a Shuttle service

An outcome of the Foxton Pools workshop was to investigate a shuttle service between Foxton and Levin. Below are some indicative costs of providing a shuttle service. There is further refinement required if this was the preferred option moving forward.

		Internal	External
Vehicle Purchase	Toyota Hiace 10 seat mini van	\$56,000 One off Cost	
Staffing	56 hours per week @ \$24ph	\$70,000	
Running Costs	Based on three return trips each day @765km per week	\$12,000	\$188 per trip
	Road User Charges \$76 / 1000km	\$3,000	
	Servicing Cost & Maintenance	\$4,000	
Administration	Insurance, training, miscellaneous costs.	\$10,000	
	Total Estimate	\$100,000pa	\$205,000pa

There are broader opportunities to enhance public transport offerings that could be investigated further if the shuttle option is preferred along with linkage with other council services and outcomes.

Significance and Engagement

Foxton Pool is identified as a Strategic Asset therefore any decisions that involve reducing levels of service such as closing the facility will trigger a special consultative process.

The significance and engagement policy states that

Council's general approach to determining significance is if a decision or proposal satisfies one or more of the following criteria, then the matter is likely to have a high degree of significance:

- *The decision or proposal affects all or a large portion of the community in a way that is not inconsequential*
- *The impact or consequences of the decision or proposal on the affected persons (being any number of persons) will be substantial*
- *The financial implications of the decision on Council's overall resources are substantial*

In terms of Foxton Pool, consultation was carried out as part of the 2021-41 LTP as detailed in the consultation segment of this report and a preferred option was included in the LTP for development. The project is still relevant and nothing has changed from this perspective aside from the additional cost to carry out the work.

The additional cost of \$2.8m could be considered as significant when looking at the cost in isolation however when looking at it in the perspective of the overall borrowings for the council and the impact of increased interest costs on rates, it is not significant.

The increase in rates based on an average property in Levin (\$58.00 per week) equates to a 0.2% increase or \$6.75 per resident per year.

6. Options

Following the public workshop on the 22 June 2022 a number options regarding the future of Foxton Pools have been developed to help inform a decision on the way forward.

Option 1: Accept the full scope as per the current proposal inclusive of the spa and reception area and council approves to fund the shortfall of \$2.8m

This option includes a spa pool which will increase the appeal of the facility, it is also the best option in terms of future proofing the facility for expansion.

Option 2: Decrease the scope to reduce the overall cost and fund the shortfall

This could be achieved by relocating the plant equipment from the roof to an alternate location and remove the spa pool and reception extension. This option reduces the total cost of construction to \$4.7m, a budget shortfall of \$2.1m. This option would possibly mean that Council would need to return \$400k in funding or seek approval to use this for purposes other than the spa pool.

Option 3: Pause the project and re-consult with the community on the increased costs via the 2023 AP/LTP

This option would see the 2022 Foxton Pool season continue as normal. A potential risk here is that escalation costs continue to increase further impacting the cost of construction.

Option 4. End the current procurement and retender the work via an open and competitive tender process

This could be done based on the scoping document that we have received or a traditional approach based on full design documentation. The risk with this option is time with a traditional approach estimate to take between 12 and 16 weeks to complete. This option could be done in conjunction with option 3.

Option 5: Do not proceed with the project and continue to operate Foxton Pools for as long as it is safe to do so, acknowledging the limitations with the current building

At some point in the future it is likely that the facility will not be safe to open to the public. This option will trigger the significance and engagement policy and consultation with this community due to Foxton Pools being a strategic asset.

Option 6: Close Foxton Pools and provide a shuttle service (internally or externally run) from Foxton Pools to Levin Aquatic Centre

This option would likely decrease the participation in Aquatic activity across the region. A district wide bus service to and from Levin Aquatic Centre is unlikely to be supported by current users as it difficult to prepare a timetable which would suit all users.

Permanently closing Foxton Pools would add additional demand pressure to Levin Aquatic Centre and while this would be sustainable for the short term, a significant facility redevelopment would need to be fast tracked in order to meet the District's increasing aquatic demand.

6.1 Cost

Option	Total Cost	Additional Funding required	Interest First year (total interest)	Targeted Rate % Increase (Total Rate % Increase)
Option 1. Fund the full development as per the initial design	\$5,803,781	\$2,859,507	Y1 \$128,668 Total	\$6.75 per resident (Y1)

			\$1,672,812	
Option 2. Fund reduced scope option (removal of spa, reception and relocated mechanical plant)	\$4,724,781	\$2,120,507	Y1 \$95,423 Total \$1,240,496	\$5.00 per resident (Y1)
Option 3. Pause the project and re-consult with the community on the increased costs via the 2023 AP/LTP	Status quo pending the outcome of the consultation.			
Option 4. End the current procurement and retender the work via an open and competitive tender process	Status quo pending the outcome of the tender process.			
Option 5. Do not proceed with the project and continue to operate Foxton Pools for as long as it is safe to do	No additional funding required	-\$2,575,000 (Saving)	Y1 -\$115,875 Total - 1,506,375	Y1 -\$6.07
Option 6. Close Foxton Pools and provide a shuttle service (internally or externally run) from Foxton Pool to Levin Aquatic Centre	Estimated \$100,000 per year (opex) \$500,000 Demolition and Decommission	-\$2,075,000 (Saving)	Y1 -\$93,375 Total - 1,087,938	Y1 -\$4.09 Total -0.35%

6.2 Community Wellbeing

Play, active recreation and sport make a significant contribution to the health and wellbeing of all residents of the Horowhenua District, contributing to happier, healthier people and connected communities.

Multiple studies document the benefits of water-based exercise and our users have commented on how Foxton Pools has had a positive impact on their wellbeing:

- Low impact exercising in water means a person can exercise longer without additional wear and tear on muscles and joints.
- Water-based exercise can help people with chronic diseases (e.g. arthritis, heart disease) and people with limited mobility.

The therapy market is an increasingly important component of aquatic facilities, with more people with mobility issues and a growing population of older people seeking low-impact health and wellness opportunities. This user group typically want to use the facility in off-peak periods, which is beneficial for improving the use of public aquatic facilities. Both Levin and Foxton Pools have seen increased use from the therapy market. Security of an all-year facility will enable Foxton residents to participate in this activity all year round.

Learn to Swim and education is a very important outcome for aquatic facilities contributing to national outcomes to increase water confidence and swimming ability. Learn to Swim is also

an important revenue generator for aquatic facilities. The Learn to Swim programme at Foxton Pools has continued to grow over the past few years. While the catchment analysis for Levin Aquatic Centre does attract users from Foxton and Foxton Beach, and it is known many of the Foxton Pools Learn to Swim users do not attend lessons in the winter when Foxton Pools closes for the season. With all year round provision at Foxton, it is anticipated Learn to Swim numbers will continue to grow and the inclusion of deep water within the facility will provide additional opportunities for to provide water safety and survival programming.

Aquatic facilities are popular places for communities to connect and socialise, through play, sport, fitness, learning and events. Some of users have told Council that their only social interaction occurs at Foxton Pools.

6.3 Consenting Issues

There are no anticipated consenting issues.

6.4 LTP Integration

The future of Foxton Pools was a key consultation topic as part of the Long Term Plan 2021-2041, and \$2.6m was allocated for the redevelopment with the intention that construction should commence following the closure of Foxton Pools in Autumn 2022.

There is budget of at least \$1.4m (annually) in year six through to year twenty of the current LTP for Strategic and Growth related Aquatics projects.

7. Consultation

Extensive community engagement carried out through the Foxton Pool Feasibility Study and the Long Term Plan 2021-2041.

As part of the Foxton Pool Feasibility Study, community engagement was held from 08 November 2020 and completed on 23 November 2020. A total of 544 online and 132 hardcopy forms were received representing 676 completed responses.

The community engagement for Foxton Pools supports the following conclusions:

- Retaining a swimming pool in Foxton is the most important consideration.
- A strong preference for an all-year round facility which is more appealing and meets the needs of the community and attracts more use.
- Important to listen to the voice of children who traditionally make up 50% of pool users. Children have expressed a desire for leisure (fun), including deep-water.
- Desire for wider recreation options including exercise space or fitness centre.

Further consultation with the community is likely to be required depending on the direction provided on the way forward.

8. Legal Considerations

There are no Legal Requirements or Statutory Obligations affecting options or proposals, other than those obligations to the community given the decisions made during the Long Term Plan 2021 – 2041 process.

9. Financial Considerations

If approved, the shortfall in budget would need to be loan funded; this would result in an increase in capital borrowings by 2.8 million dollars. This would subsequently have an impact of \$128,668 of interest which will impact on rates by \$6.75 per resident.

10. Iwi Considerations

Officers have engaged with representatives from Ngāti Raukawa ki te Tonga throughout the project to understand Mana Whenua views. Key feedback is as follows:

- Important to consider the environmental impacts of any proposed development including the impact on land, water and air.
- Consideration of the facility being more environmentally sustainable through minimising consumption and discharge of water and improving energy efficiency.
- Opportunity to provide programming to increase participation by Māori in physical activities to promote health and wellbeing.

11. Climate Change Considerations

The proposal received includes the option to replace the gas boiler that is currently with hot water heat pumps. This would decrease the carbon footprint of the facility. There is an additional cost in implementing this option of approximately \$170k, and may be something we can attract external funding for.

12. Environmental Considerations

There are no further Environmental considerations.

13. Health & Safety Considerations

In 2019 independent condition assessments identified serious concerns with the current building and recommended that the primary structure be urgently checked by a structural engineer. The report indicated that the current building fabric will have only a limited time frame in terms of durability and estimated it would last five years at most.

Calibre Consulting Ltd were engaged by Horowhenua District Council to undertake an inspection of the existing LVL portal frame structure at Foxton Pools to ensure that the facility is safe to open to the public. The structural review and condition assessment is re-assessed each year prior to reopening for the season.

The last assessment, completed on 21 July 2022 indicated that *“No significant deterioration has occurred to the structural condition or % moisture content of the LVL members, timber members or their connections since the previous 2019, 2020, and 2021 condition inspections”*.

14. Other Considerations

There are a number of groups and organisations from across the Horowhenua that have written letters of support for the development of Foxton Pools. These were provided as evidence for the funding applications that have been submitted. Council heard through the LTP that at least one school would consider closing their school pool if Foxton Pools was to operate throughout the year.

The Aquatics Team are currently recruiting for staff for the upcoming season.

15. Next Steps

Officers will carry out the next steps based on the decision of Council.

16. Supporting Information

Strategic Fit/Strategic Outcome

Foxton Pools contributes to the following community outcomes:

Providing opportunities for all cultures and a place where cultural diversity can be celebrated. Outstanding Environment

Fit for Purpose Infrastructure
Partnership with Tangata Whenua

Decision Making

The decision can be made outside the LTP as it relates to an existing decision from the 2021-2041 LTP, although the nature of the decision will depend on whether future special consultative procedures are required.

Consistency with Existing Policy

The recommendation is consistent with the decision made at the 2021-2041 LTP.

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Financial	Additional funding not secured to progress the project.	Construction not able to begin.	Possible	High	Transparency with Council on anticipated build costs.
Financial	Construction costs continue to rise.	Funding shortfall.	Possible	Moderate	Project Contingency built into cost.
Service Delivery	Decrease in level of service if the Pool was to close.	Impact on the health and wellbeing of the community.	Low	High	Significance and engagement policy will trigger the need for consultation.
Reputational	High community interest in this project.	Dissatisfaction from the local community if the project does not commence.	Moderate	High	Transparent and open communication with the community throughout the decision making process.



Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

There are no appendices for this report

Author(s)	Brent Harvey Group Manager, Communities and Partnerships	
Approved by	Monique Davidson Chief Executive Officer	

File No.: 22/402

7.3 Te Awahou Foxton Flood Mitigation Project

1. Purpose

To update Council on the Te Awahou Foxton Flood Mitigation project.

2. Executive Summary

Horizons Regional Council (Horizons) has amended the scope of the the Te Awahou Foxton Flood Mitigation project (the project). Delivery of the original scope has been hampered by inflationary pressure, resource consent delays, land access agreements and co-funding commitments. The overall objective to improve the flood mitigation provided by the Foxton East Drainage Scheme remains intact.

Horizons have committed to a \$10.42M scope that breaks the project into discreet work packages for delivery within a more realistic timeframe and budget. The project will upgrade select infrastructure to increase the level of flood protection, which is currently at a 2 - 5 year return period. Further information on the project and the work packages is provided in the attachment.

Horowhenua District Council (Council) has allocated \$1.047M as a funding contribution in the Long Term Plan. Horizons have sought payment of the full amount. Council's direction on the project funding contribution is sought via this item.

3. Recommendation

- 3.1 That Report 22/402 Te Awahou Foxton Flood Mitigation Project be received.
- 3.2 That this matter or decision is recognised as not significant in terms of s76 of the Local Government Act.
- 3.3 That Council approve the Chief Executive to release the full funding of \$1,047,000.00 allocated in the Long Term Plan to the Te Awahou Foxton Flood Mitigation project.

4. Background / Previous Council Decisions

Scope Change

Over the past year, the project has encountered rapidly escalating design and construction costs and has been unable to acquire the land required for the proposed wetland. The project had originally intended to apply for fast-track consenting but Horizons have subsequently withdrawn their application. These issues prompted the project team to rethink the scope.

The Horizons' Catchment Operations Committee met on 11 May 2022 to discuss several revised design solutions. Horizons Council approved the preferred option at their meeting on 24 May 2022.

The revised option (Figure 1) proposes measures to reduce peak flows through attenuation in the farmland upstream of Kings Canal, upgrades to Kings Canal to prevent seepage and reduce the risk of bank failure, upgrades to culverts to provide for increased conveyance and a new pump station at the Loop end of Purcell Street. The project will also seek to enhance

wetlands to provide for water quality benefits. Further information on the project and the work packages is provided in the attachment.

Minutes of the Horizons 24 May council meeting further note that Horizons have confirmed their commitment to a flood protection level of a minimum of 1 in 50 years for Foxton subject to affordability on the part of the community. Horizons also sought the project team to continue to advocate for funding from Horowhenua District Council and central government to enable the scheme to assist with community affordability.

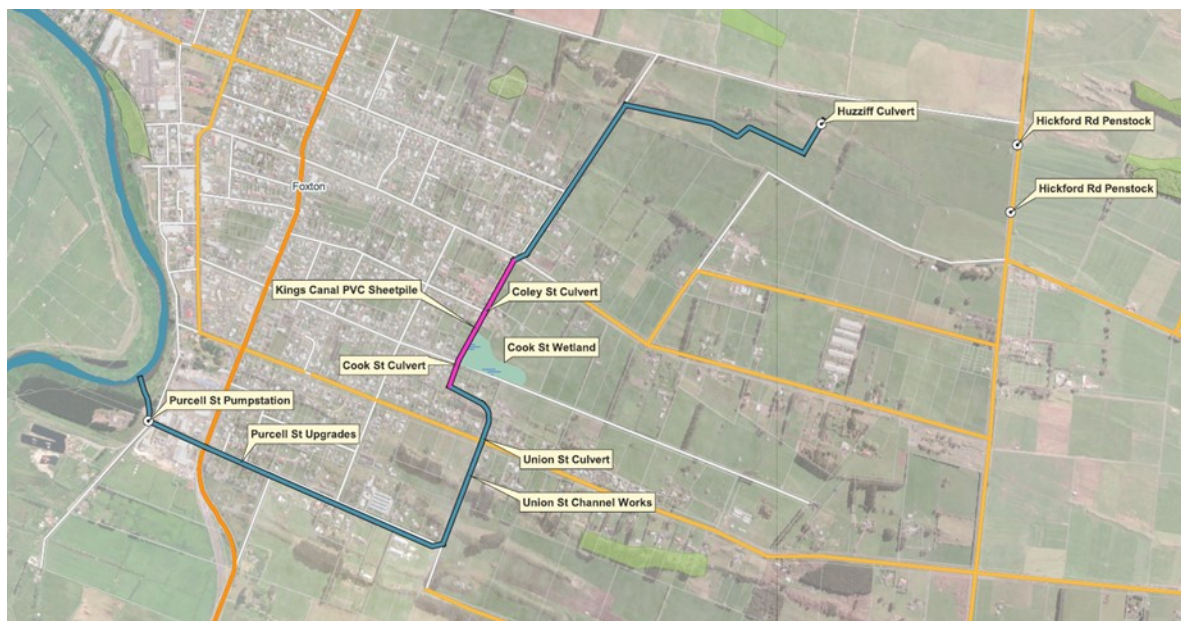


Figure 1: Work packages for the revised programme of works for the Te Awahou Foxton Flood Mitigation Project.

5. Discussion

Project Expenditure to Date

We do not have the latest cost to date figures at the time of writing. The report to the Horizons' Catchment Committee on 11 May detailed costs to March 2022, shown below.

Budget Item	FY20/21	FY21/22	Total Cost
Design	\$130,029.74	\$161,817.42	\$291,847.16
Consents/ Approvals	\$18,040.00	\$129,502.03	\$147,542.03
Property Entry/ Purchase	\$60,069.00	\$77,716.42	\$137,785.42
Kings Canal Upgrades and Sheet piling		\$482,020.05	\$482,020.05
Project Management & Comms	\$103,480.26	\$227,361.35	\$330,841.61
Iwi Resourcing		\$5,956.88	\$5,956.88
Social Procurement		\$574.00	\$574.00
Total	\$311,619.00	\$1,084,948.15	\$1,396,567.15

We assume there has been a slowdown in spending since March given their withdrawal from the fast track consenting and land acquisition and the subsequent need to re-scope the project.

In terms of physical works to date. Culvert upgrades at the end of Coley Street and Cook Street have been completed. Procurement for the Union Street Culvert upgrade is underway. Sheet piles have been purchased for installation near Cook Street.

The Cook Street wetland component has progressed with a design & consenting process currently underway.

Further hydraulic modelling to finalise the design is underway to determine the level of service that this new project plan will deliver. A further piece of modelling is underway to see what additional benefits would be forthcoming from additional pumping on parts of Horowhenua District Council's stormwater network. The final report on the modelling is due in September 2022.

6. Options

6.1 Revised Project Estimate

The estimated cost of the revised project is \$10.42M, noting some design and procurement work is yet to occur.

The 11 May report to the Horizons Catchment Committee outlined the breakdown of costs as below. Note that Horizons resolved to proceed with sub-option 5b.

Table 2: Summary of costs for the work packages and sub-options for Option 5.

	Project	Budget
Work package	Actual Spend (LTD March 2022)	\$1,396,567
A	Hickford Rd Penstocks and Huzziff Culvert	\$177,493
B	Kings Canal Channel & Culvert Upgrades & Sheet Piling	\$2,114,568
C	Cook Street Land purchase (includes project management & legal costs)	\$556,254
D	Cook Street Wetland Construction	\$1,582,841
E	Union Street upgrades	\$1,160,382
F	Purcell Street upgrades	\$1,433,711
G	Purcell Street Tractor Pump (either option G or option H)	\$620,784
H	Purcell Street Permanent pump (either option G or option H)	\$2,000,784
Sub-option		Total
5a	All works (A-F) with tractor pump	\$9,042,600
5b	All works (A-F) with permanent pump	\$10,422,600
5c	All works with tractor pump, without wetland development (D)	\$7,459,759
5d	All works with permanent pump without wetland development (D)	\$8,839,759

6.2 Cost

Horowhenua District Council Contribution

Horowhenua District Council (Council) has an allocation of \$1,047,000 in its Long Term Plan (LTP). This amount includes \$504,000 in the 2021/22 financial year plus \$543,000 of unspent budget carried forward from the previous 2020/21 financial year.

Horizons has sought Council to commit \$2,460,000 to the project. Officials have yet to discuss whether this amount may be adjusted in proportion with the new scope.

Notwithstanding any discussion on Council's obligation or otherwise to the \$2,460,000 co-fund, Horizons have sought Council to release the allocated \$1,047,000 LTP funds to assist with costs to date and acknowledge commitment to the ongoing delivery of the project.

At the end of the 21/22 financial year, Horizons Regional Council sought payment for two invoices that had been sent earlier in the year. Horizons Regional Council had assumed payment would be made. Payment of the first invoice for \$730,681.75 ex GST was made at

the end of June 2022 to coincide with year end. The second invoice for the balance of funds (\$316,381.25 ex GST) cannot be made without approval from Council for the full funds to be released given it is above the Chief Executive's delegations.

6.3 Options for the balance of funds

Given Horizons have resolved a new, more achievable scope and have committed their own funds to the project it seems reasonable that the project will now proceed beyond desktop studies to construction. That said, Council has four options to consider for the balance of funds:

- 1) Pay the balance on invoice. Horizons have previously invoiced Council for the full LTP amount. This LTP funding has already been carried forward twice in our annual planning. So paying now has the benefit of clearing a long standing funding commitment; or
- 2) Pay the balance upon delivery. Council has already paid 75% of the LTP allocation. Which is a sizeable portion of the works to date. Council may choose to withhold payment of the balance until the first of the work packages has been procured for construction; or
- 3) Council may opt to withhold payment until or unless Horizons have detailed a full breakdown of the entire scope of work packages, procurement plans and committed cashflows, as well as confirmed to Council that all works are shovel-ready and free from consent or land impediment; or
- 4) Council may withdraw the remainder of the co-fund. Noting that a payment has already been made.

7. Rate Impact

There will be no Rate impacts arising.

8. Community Wellbeing

There are no negative impacts on Community Wellbeing arising.

9. Consenting Issues

There are no Consents required or consenting issues arising.

10. LTP Integration

Horowhenua District Council (Council) has an allocation of \$1,047,000 in its Long Term Plan (LTP).

11. Consultation

There was no consultation required to be undertaken.

12. Legal Considerations

There are no Legal Requirements or Statutory Obligations affecting options or proposals

13. Financial Considerations

There is no financial impact.

14. Iwi Considerations

There are no Iwi considerations.

15. Climate Change Considerations

There is no Climate Change impact.

16. Environmental Considerations

There are no Environmental considerations.

17. Health & Safety Considerations

There is no Health & Safety impact

18. Other Considerations

There is a difference of opinion between Council and Horizons on the amount of Council co-fund toward the project. Factually, Council can only demonstrate a commitment of \$1.047M to the project. Council has contended that is a lump sum fund. In contrast, Horizons have maintained Council's co-fund should extend to up to \$2.4M in proportion with cost level increases across the project.

Council and Horizons are yet to confirm the final work packages. But regardless of that, the project will still drive flood mitigation benefits to the township. Thus, Council may seek to extend their co-fund either by direct grant or indirectly via projects from the LTP. Should Council seek to extend their co-fund on the basis of wider resilience and flood mitigation benefits, there are several ways to offset further co-fund through analogous projects within the LTP renewals and improvements budgets.

At this time, and without a clear schedule of detailed construction works, Council officers cannot provide specific confirmation of when and how this might work. Therefore this report is not recommending that, but simply signaling a future conversation may come.

19. Next Steps

If the recommendations are accepted, officers will pay the balance of co-fund or otherwise as directed by Council. Thereafter, officers will work with the Horizons project team to confirm the final scope and work packages and report back to Council.

20. Supporting Information

Strategic Fit/Strategic Outcome

The project will help mitigate existing flood risk in the Foxton township

Decision Making

The decision can be made through the LTP

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

21. Appendices

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Author(s)	Brent Maguire Group Manager - Infrastructure Development and Operations	
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Approved by	Monique Davidson Chief Executive Officer	
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Catchment Operations Committee

11 May 2022



Report No.	22-43
Decision Required	

TE AWAHOU FOXTON FLOOD MITIGATION PROJECT

1. PURPOSE

- 1.1. This item updates Council on the **Te Awahou Foxton Flood Mitigation Project (TAFMP)**, including project progress, and seeks Council's direction on this project.

2. EXECUTIVE SUMMARY

- 2.1. Foxton Township has experienced flooding from Kings Canal in 2007, 2008, 2010, 2015 and 2017 and the township is currently assessed to have 1 in 2-3 year flood protection. Flooding issues include capacity and overtopping issues of Kings Canal and Purcell Street Drain, seepage through the existing Kings Canal embankment, and stability of the drain banks. The current level of protection is at risk due to the seepage through drain banks along Kings Canal.
- 2.2. A project for upgrading flood protection in Foxton Township was one of several submitted by Horizons **Regional Council (Horizons)** to Central Government as a shovel-ready project in April 2020. Approval in principle was announced in July 2020, with each project confirmed by Council (including the local share contribution) in August 2020 and the Horizons **Long-term Plan (LTP)**. The Central Government confirmation was subsequently received in October 2020. **Horowhenua District Council (HDC)** are the other co-funding partner and have made an allowance for a contribution to the project in their LTP.
- 2.3. Prior to the application to Government, the Foxton project was scoped to address capacity issues in the system via a Cook Street pipeline and funded with budget of \$3 million (HDC \$1.8M, Horizons \$1.2M). The application to Central Government secured funding for the current project, which is a larger scheme that aims to provide 1 in 50 year flood protection for Foxton, with an allowance for climate change. The project proposes an enhanced network in Foxton and a diversion through the rural land in the Whirokino area. The Whirokino diversion includes both larger existing and new drainage channels, and a new wetland area. The Whirokino area is planned to receive additional floodwater, which is planned to be offset by establishing a large pump station at the lower end of the Whirokino diversion to pump water out of the area, with the pump servicing both drainage from the Whirokino area and the Moutoa Spillway. This project requires design, land purchases, land access agreements, consents and a range of construction works to be completed, including establishing wetlands, during a four-year period.
- 2.4. The budget for this larger project was originally estimated at \$6M (October, 2020). It was revised to \$9.2M in November 2020 and further revised to \$11.2M in July 2021. The \$11.2M budget is the current budget for the project with contributions from Central Government (\$6.525M), HDC (\$2.46M) and Horizons (\$2.23M). Updated costings prepared for this paper in April 2022 resulted in a current budget estimate of \$14M.
- 2.5. While the project was considered shovel ready, it was known at the outset that delivery within the four-year timeframe was reliant on resource consents, land access agreements and land purchases. Timeframes were a major consideration for Council seeking consents via the fast-track consenting process. As outlined to Council previously, there have been issues with securing land for the Whirokino (or "D-Shape") wetland and, as a result, the submitted fast-track consent application was withdrawn in late March 2022. This combined with new funding projections and consideration of timeframes has required a reassessment of options for the remainder of the term of the project. The options assessment has including consideration of increasing inflationary costs, impacts on levels of service, co-

Catchment Operations Committee



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funding contributions, and rating impacts. The starting point for the options assessment was the work to date. Up to the end of March 2022, a total of \$1.397M had been spent on the TAFFMP, which included design, consenting costs, project management and construction. The construction works are the upgrade of the Coley Street and Cook Street culverts to increase the resilience of the scheme.

2.6. Six options are presented in this item. In summary:

- Option 1 (\$14M) and Option 2 (\$12.7M) include progressing the project as per the original scope, with the removal of the Lower Whirokino wetland from Option 2. These options aim to provide 1 in 50-year protection for Foxton Township with an allowance for climate change. Both these options require land access agreements, consenting and an increase from the current \$11.2M budget. Option 1 is considered likely to require compulsory acquisition of land. Options 1 and 2 are predicted to be very difficult to deliver within the current timeframes of the project because land agreements, consenting and construction would all have to occur within approximately two years.
- Options 3 and 4 include a reduced project scope by decreasing or removing the diversion through the Lower Whirokino. Initial design modelling has been undertaken for both of these options and they have both been deemed not viable. They are included in this item to demonstrate that the options have been tested.
- Option 5 includes a number of work packages within the Foxton East Drainage Scheme to increase the scheme's resilience. Focussed on additional resilience for the township, Option 5 includes works to attenuate runoff upstream of the town and increase the conveyance and resilience along Kings Canal. This option will result in increased flows down Purcell Street, which are proposed to be partially mitigated by pumping into the Foxton Loop at the west end of Purcell Street. This is currently being modelled to determine the effects in various storm events. Option 5 is arranged in work packages from which Council can select. Option 5a, which includes all of the work packages and the lower cost option for pumping at Purcell Street, is currently projected to require a budget of \$9.04M.
- Option 6 is to exit the project.

2.7. One question for Council to consider in their decision making is if the project is reduced in scope to focus just on upgrades in Foxton (Option 5), will Council in the future seek to complete the larger project to implement a diversion through the Whirokino and if so, when? Considering this aspect may be useful to inform decisions regarding the type of pumping provided at Purcell Street (tractor pumps or permanent) and at the Moutoa pump station i.e shared design (\$5.3M) or simplified design (\$3.4M) just for the Moutoa spillway.

2.8. The proposed work packages in Option 5, apart from the pumps and works in Purcell Street, also form part of Options 1 and 2, ensuring the majority of the works would still serve a useful purpose should the additional diversion through the Whirokino proceed in some form at a later date. If the diversion was to proceed, the Purcell Street pumps would have a reduced purpose and tractor pumps could likely be redeployed if the diversion was completed.

2.9. Another consideration for Council in this process is the Moutoa pump. Options 1 and 2 include the diversion through the Whirokino, linked to a shared pump station at Moutoa to both pump water out of the Whirokino area and to service the spillway. If Council chooses Option 5 without the diversion through the Whirokino, Council could choose to continue with a pump station design for this dual purpose and to only construct the parts that serve the Moutoa spillway until such time as the Whirokino diversion is established. Alternatively, the design could be simplified to just serve the Moutoa spillway. Further design and costings are being completed to inform Council further about this.

2.10. Further information on the project and the options is provided in the item below and Council's direction on the project is sought via this item. It is noted that any change in the project scope will be subject to approval and agreement from Central Government.

Catchment Operations Committee

11 May 2022



3. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 22-43
- b. approves the **Te Awahou Foxton Flood Mitigation Project**, proceeding based on Option 1, 2, 5a, 5b, 5c, 5d or 6 [select one].
- c. directs the Chief Executive to prepare the Annual Plan budget based on the option identified above and to work with co-funding providers to confirm funding arrangements.

4. FINANCIAL IMPACT

- 4.1. The budget of the project in its current state is \$11.2M, which includes funding from Horizons, Horowhenua District Council and Central Government via the **Ministry of Business, Innovation and Employment (MBIE)**. The funding breakdown is as follows: MBIE \$6.525M (58%), HDC \$2.46M (22%), Horizons \$2.23 (20%).
- 4.2. The current Horizons budgeted contribution consists of \$1.63M from the **Foxton East Drainage Scheme (FEDS)**, \$0.15M from the Whirokino Drainage Scheme and \$0.45M from the **Lower Manawatu Scheme (LMS)**. If the project is amended in such a way as to remove benefits to the Whirokino and LMS drainage schemes (Option 5) funding from these schemes would also be removed and increased funding may be required from the FEDS (Option 5B) or a lower contribution may be required from FEDS (Options 5a, 5c & 5d).
- 4.3. Of the \$2.46M of the budgeted contribution from HDC, only \$1.047M has been formally secured. HDC has indicated that the balance of their \$2.46M contribution could be incorporated into their LTP. It is noted that changes to the proposed design layout or level of service would need to be conveyed to HDC and could result in HDC reassessing its funding commitment.
- 4.4. If any changes are made to the project scope, discussions with MBIE will be required to confirm funding. It is anticipated that the \$6.525M MBIE contribution will still be available for a different project scope, but this cannot be guaranteed. It is also noted that if the combined proportion of co-funding from HDC and Horizons reduces, there may be consequential reductions to MBIE's contribution. Currently, the co-funding from Central Government is subject to project completion by March 2024.
- 4.5. The financial impact of this item is dependent on the option selected. It is acknowledged that there is a lot of uncertainty with the design and costings of the various options as we have only completed an initial scoping exercise.

5. COMMUNITY ENGAGEMENT

- 5.1. A significant investment has been made to engage with the community on the current proposal (Option 1) during the last two years. This option has encountered opposition, primarily from landowners within the Whirokino Drainage Scheme catchment, but it has also received support from those adversely affected by ongoing flooding within the Foxton Township. Community engagement has taken many forms including the production of fact sheets, social media posts, a webinar, drop-in sessions, and presentations to community groups such as SoRT, the Foxton Community Board, and Horizons Scheme Liaison Committees.
- 5.2. Engagement is ongoing, including fortnightly steering group meetings. These meetings consist of representatives from Horizons, HDC, Iwi, E2 Environmental, Good Earth Matters, and The Property Group. Further community engagement is recommended following Council's decision on the next steps for this project.

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6. SIGNIFICANT BUSINESS RISK IMPACT

6.1. There is no significant business risk arising from this item. Some of the project-related risks are addressed elsewhere in the item.

7. CLIMATE IMPACT STATEMENT

7.1. The TAFFMP will improve the resilience of the Foxton East Drainage Scheme and Whirokino Drainage Scheme should the Council decide to continue to deliver the current design (Option 1). If another option is selected, the extent of the climate resilience improvements will likely be reduced.

7.2. In delivering the works associated with this project there will be some impact to the climate in terms of the use of materials, fuel and other resources that are considered to contribute to climate impact.

8. PROJECT BACKGROUND

8.1. This project commenced as a joint Horizons and HDC project. The initial investigation in 2017 proposed a pipeline running along Cook Street from Kings Canal to the Foxton Loop. The original rough order of costs for this work was estimated to be \$3M. Horizons Council Item 20-34 (March 2020) notes both Councils committed to this funding in their LTPs (Horizons 40%, \$1.2M and HDC 60%, \$1.8M). Further investigations in 2019 revealed that the costs associated with this option would significantly exceed the budget with little added protection for Foxton Township.

8.2. In November 2019 E2 Environmental completed a Horizons-commissioned options assessment that led to the project that received Central Government co-funding (Figure 1). The project is predicted to provide 1 in 50-year protection for Foxton (accounting for climate change).

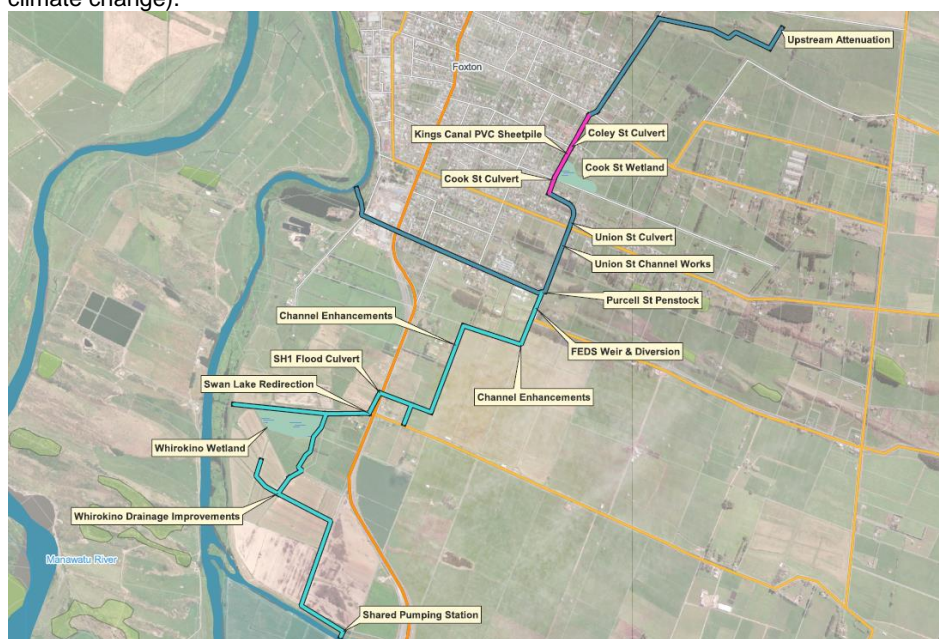


Figure 1: Current proposed design for the TAFFMP.

8.3. The project included proposed diversion of flows into the Whirokino Drainage Scheme and storage of runoff on rural land south of Foxton until it can be either drained through gravity or pumped into the Foxton Loop (Figure 1). The project linked through to a shared pump

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station with the LMS, with that pump upgrade being proposed via the Lower Manawatu climate resilience project. Although this option would result in increased volumes of water on some farmland during floods, the duration and frequency of inundation for most farms would be decreased with the installation and operation of a shared pump station.

- 8.4. The project proposed resilience upgrades within the Foxton Township and the addition of a wetland at Cook Street in Foxton to assist with water quality improvement. The proposal provided for a penstock to be installed at the east end Purcell Street to enable diversion of water away from the township through enhanced and new channels on farmland south of Foxton. From here, water would be diverted under State Highway 1 via a culvert. This would enable a small amount of water storage and potentially, water quality improvements in a large wetland (known as the Whirokino or 'D shape' wetland). From here, some water would flow out to the Foxton Loop through gravity while most water would run south to a storage location where the shared pump station will be located.

9. PROJECT BUDGETS

- 9.1. When originally scoped in November 2019, this option had an estimated total cost of \$6M and was one of five flood protection shovel-ready projects submitted for Central Government funding consideration in April 2020 and subsequently confirmed in October 2020. Council approved this budget via Council Item 20-186 (August 2020).
- 9.2. Due to design refinements and high demand for plant, labour and materials experienced in the construction sector following the first Covid-19 lockdown in 2020, it was decided that it would be prudent to reassess the project budget. A revised forecast of \$9.2M was subsequently produced in November 2020 and approved by MBIE.
- 9.3. A further estimate of \$11.2M was produced in July 2021. This amended forecast included allowance for updated costings, land purchases, iwi and community engagement, and the addition of a project contingency. This revised budget was approved by Council in Item PX21-106 (August 2021) and is the current budget i.e. MBIE \$6.525M (58%), HDC \$2.46M (22%), Horizons \$2.23 (20%).
- 9.4. There was a further assessment of budget projections in April 2022 as part of the options assessment for the project. This included consideration of additional requirements and inflationary pressures which show the budget to complete the project is approximately \$14M, which is an additional \$2.8M to the current budget. A range of factors could lead to increases above this.

10. PROJECT PROGRESS

- 10.1. Formal approval was received from Central Government in October 2020. The project has progressed some physical works in the township, completed further design work and progressed consenting, landowner approvals and land purchases. The project lodged a fast-track referral application via the Covid-19 Recovery (Fast-track Consenting) Act 2020, aiming to be consented to enable construction in Spring 2022.
- 10.2. Community engagement was a focus for the project. Due to Covid-19, face-to-face appointments with all landowners could not go ahead and a webinar outlining the project proposal was uploaded to the Horizons website. Some face-to-face meetings were able to progress with some of the affected landowners.
- 10.3. There has been opposition to the project, particularly the requirement to install the increased capacity (including some new) drainage network through farmland and the proposal to use land for a wetland. Horizons was unable to secure the land for the Whirokino (or 'D shape') wetland through a willing buyer/ willing seller arrangement and confirmed this in March 2022. As a result, the fast-track consent has been withdrawn, due to there being no ability to put this on hold. Subsequently, staff have assessed options for the project progressing and these are outlined below.

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11. PROJECT EXPENDITURE

11.1. The largest items of expenditure to date have been design, construction along Kings Canal and project management costs (Table 1). In summary, from October 2020 to March 2022 a total of approximately \$1,397M had been spent on the TAFFMP.

Table 1: Breakdown of costs to March 2022.

Budget Item	FY20/21	FY21/22	Total Cost
Design	\$130,029.74	\$161,817.42	\$291,847.16
Consents/ Approvals	\$18,040.00	\$129,502.03	\$147,542.03
Property Entry/ Purchase	\$60,069.00	\$77,716.42	\$137,785.42
Kings Canal Upgrades and Sheet piling		\$482,020.05	\$482,020.05
Project Management & Comms	\$103,480.26	\$227,361.35	\$330,841.61
Iwi Resourcing		\$5,956.88	\$5,956.88
Social Procurement		\$574.00	\$574.00
Total	\$311,619.00	\$1,084,948.15	\$1,396,567.15

- 11.2. Design drawings have been completed for works within Foxton Township and for the proposed works within the Lower Whirokino (from the diversion at Purcell Street to the original proposed location of the Whirokino wetland). The design for works within Foxton will be used, wholly or in part, should any of the options that involve further construction be selected.
- 11.3. Costs incurred for consenting and approval relate to the application of the fast-track consent. A number of technical inputs and assessments were required, including: cultural impact assessments, an ecological assessment, noise and vibration assessments, soil testing and sampling, and water quality sampling. These reports will remain useful for all options outlined in the below assessment, except for Option 6 which is to exit the project.
- 11.4. Significant effort has been made progressing land entry agreements and land purchases along the length of the project corridor. The costs incurred primarily involve time spent by Horizons staff and consultants meeting with landowners, documenting discussions and negotiation of agreements. They also include obtaining legal advice and property valuations to inform the negotiation process.
- 11.5. Approximately one third of the project budget to date has been spent on construction costs. These have been incurred upgrading existing culverts on Kings Canal, including a culvert upgrade at the end of Coley Street and with a second culvert upgrade at the end of Cook Street currently underway. Purchase of the sheet pile for the true right bank of Kings Canal has also been made in April 2022 (not included in Table 1), with an initial quantity having now been delivered to Horizons' depot in Kairanga. The installation of the vinyl sheet pile will address seepage and reduce the risk of piping failure on the eastern side of Foxton Township. The sheet piling also seeks to prevent overtopping in this section of Kings Canal, providing an increased level of service for this area. These combined upgrades will be beneficial to the residents along Kings Canal and will form part of all options assessed below, except Option 6 which is to exit the project.

12. OPTIONS ASSESSMENT

12.1. A summary of the options is provided in the Executive Summary. This section provides further detail on the individual options. Section 13 below provides further information on budgets, including some aspects of potential co-funding and rating impact. Section 14 provides more information on the options for Moutoa pump station.

OPTION 1 – Existing proposal

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- 12.2. Option 1 is for Council to proceed with the current design. This option would, when completed, provide Foxton with the highest level of protection of all the options, being an estimated 1 in 50-year return period including an allowance for climate change.
- 12.3. Option 1 has faced opposition from several landowners within the Whirokino drainage scheme catchment. This includes opposition to paying increased rates, which they have indicated may affect the viability of their farms. It is likely this would also apply to Option 2.
- 12.4. Negotiation of land access agreements for Options 1 and 2 pose a significant risk to the project delivery. These options call for significant drain enlargements through farm land and a number of farmers have indicated that they are not supportive of these designs. It is noted that some farmers are willing to have further discussions, depending on the rating impact of the project on their properties and levels of compensation for project impact.
- 12.5. As a part of this options assessment, staff have assessed options for compulsory acquisition of the land for the wetland through the **Public Works Act 1981 (PWA)** and the ability to establish the new and enlarged drainage channels through the farmland, likely through the **Soil Conservation and Rivers Control Act 1941 (SCRCA)**.
- 12.6. The Council could elect to compulsorily acquire land utilising its powers under section 18 and 23 PWA as the works fit within the Act's definition of a public work. It is worth noting that the landowner can object, and any objection is heard by the Environment Court. This can result in significant expense and delays, which may impact on project delivery within timeframes.
- 12.7. Where land is not required but access to property is necessary to complete the proposed works it is generally considered the best method for obtaining access would be via a land entry agreement. Where a landowner does not agree to allowing access through a voluntary agreement, an option would be for Council to exercise its rights under the SCRCA, which provides broad powers of entry. One of the SCRCA's three overriding purposes is to "make better provision for the protection on property from damage by floods". Compensation is referenced to the compensation provisions of the PWA. Section 137 of the SCRCA provides Council with the ability to provide a notice to the owner and occupier where no agreement between parties has been achieved. If an objection is then received, an "independent assessor" is required to make a decision that is binding on both parties.
- 12.8. The current forecast budget for this option is \$14M, with only \$11.2M being committed currently. As previously discussed, this difference between committed funding and reforecast budget is due the levels of inflation currently experienced in the sector and forecast to continue for the duration of the project. To fund this project a further \$2.8M would need to be allocated. It is likely that this funding would need to be provided by Horizons ratepayers, as the other project partners have indicated that they are unwilling to commit to further funding.
- 12.9. The current programme timeline requires the project to be fully consented by the start of the next construction season. The project was on track to be consented by July 2022 but with the withdrawal of the fast-track consent in March 2022 it is now considered not feasible to be consented by the next construction season.
- 12.10. In summary, Option 1 is the option that is currently scoped and is expected to provide 1 in 50-year protection including an allowance for climate change. However, this option has challenges in terms of achievability within the timeframe, additional forecast budget costs, a likely requirement to use compulsory acquisition, and other means to obtain land access.
OPTION 2 – Existing proposal without the Whirokino wetland
- 12.11. Option 2 proposes the removal of the 'D shape' wetland situated in the Lower Whirokino (Whirokino wetland on Figure 1) from the current design. This option would, when completed, provide Foxton with similar protection as Option 1 i.e. an estimated 1 in 50-year

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return period including an allowance for climate change, with a small reduction in water storage due to the removal of the wetland.

- 12.12. Removal of this wetland from the design may impact on the consenting process for this project as the wetlands are proposed to provide a small amount of water storage and potentially water quality improvement. The wetland design has not been fully scoped for any of the options and that work would be required to determine what treatment the wetland would provide for various water quality parameters and in which flow conditions. Further planning and water quality measurement and modelling work would be required to relate this to water quality objectives and planning requirements. It is noted that local Iwi and hapū groups have expressed support for wetlands being included in the project.
- 12.13. Similar to Option 1, the negotiation of land access agreements and consent permissions are also required for Option 2 and these pose a risk to the project in terms of budget, feasibility and timeframes. Possible further delays in consenting are predicted with Option 2, due to the additional water quality investigation requirements.
- 12.14. The current forecasted cost for Option 2 is \$12.7M compared to the \$11.2M committed currently. To fund this project a further \$1.5M would need to be allocated. It is likely that this funding would need to be provided by Horizons as the other project partners have indicated that they are unwilling to commit to further funding.
- 12.15. If Option 2 is to be progressed, discussions will have to be had with the project partners (MBIE and HDC) around their contributions. It is anticipated that the removal of this wetland would not influence their contribution, but this cannot be guaranteed. As noted above there is also some uncertainty around HDC's contribution to the project.
- 12.16. In summary, Option 2 is similar to what is originally proposed and aims to provide a 1 in 50-year level of service with an allowance for climate change, potentially with less water quality improvements.

OPTION 3 – Amended diversion through the lower Whirokino

- 12.17. Option 3 (Figure 2) investigated diverting runoff around Foxton Township and through a modified diversion, into the lower Whirokino and finally out to the Loop via both Purcell Street and at the southern end of Stewart Street.
- 12.18. Due to the low-lying nature of the land in the lower Whirokino that the diversion would pass through, this option could not be undertaken by constructing open channels without placing dwellings in Stewart Street at significant risk in large flood events. Piping the diversion was also considered but the costs involved and technical difficulties in constructing a pipeline of the required size and length were considered prohibitive. This option has therefore been considered not feasible.



Figure 2: Proposed design/ layout of option 3.

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OPTION 4 – New gravity pipeline along Purcell Street

12.19. Option 4 (Figure 3) investigated the possibility of installing a gravity pipeline down the length of Purcell Street, discharging to the Foxton Loop. Preliminary analysis conducted by E2 Environmental indicated that there would be insufficient head to convey the required flows when floodwaters were up in the Foxton Loop. It was also noted that to achieve a similar conveyance to the 1 in 50-year events achieved in Options 1 and 2 would require the equivalent of three 1800 mm diameter pipelines which is not feasible although one might be.

12.20. This option has therefore been considered not feasible.



Figure 3: Proposed design/ layout of Option 4.

OPTION 5 – Resilience improvements within the Foxton East Drainage Scheme

12.21. Option 5 (Figure 4), used information about the performance of the FEDS network and identified packages of work that build resilience, provide **levels-of-service (LOS)** improvements, reduce maintenance costs, provide environmental enhancements, and build capacity within that system without the Whirokino diversion and link with the Moutoa pump station.

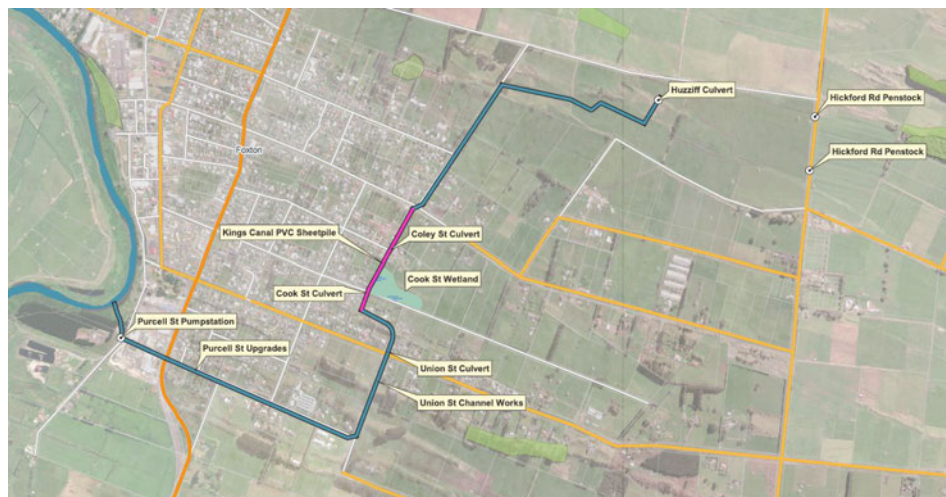


Figure 4: Proposed work packages for Option 5.

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- 12.22. Option 5 is configured as individual work packages that are assessed as providing benefit to the community, particularly in terms of resilience of current infrastructure. Further modelling is required for some of these options to further understand the overall impact of these works being completed and that they would not create significant adverse impacts in other areas of the scheme. For example, the proposed works are likely to increase volumes of water in Purcell Street and a pump station is proposed at the bottom of Purcell Street. Further modelling is required to design this mitigation and to test various storm event scenarios.
- 12.23. Work package A focuses on upstream attenuation, including new penstocks. This provides significant advantages with reducing peak flows further down the catchment for an estimated budget of approximately \$180K. Some increased level of inundation would be expected above these structures and it is likely that it would be necessary to compensate the landowners. From preliminary discussions with the affected landowners, it is thought that it will be possible to get agreement to this proposal.
- 12.24. Work package B proposes sheet piling and upgrades along the west bank of Kings Canal between The Avenue and Union Street to prevent seepage and mitigate the risk of piping failure. This work will also reduce the frequency of overtopping of the embankment. Some of the sheet piles have already been purchased and a deposit paid for sheet piles coming from Australia. The level at which the top of the sheet pile will be set will depend on the outcomes of the modelling that is currently underway. This will determine the LOS that can be provided and the effects of increased flows downstream including on Purcell Street. It is noted that undertaking this work package will mean that work packages E, F, and G or H will be required to at least partially mitigate the downstream effects.
- 12.25. Work package C is the purchase of a piece of land that is regularly inundated with storm water, and aims to prevent the future development this existing water storage area. It also provides a location where a wetland can be constructed (Work package D). Negotiations regarding the land purchase of Work package C is near completion.
- 12.26. Work package D is currently referred to as “the Cook Street wetland” and provides treatment for run-off from the north and east of Foxton. It is noted that work around this work package has not been fully scoped and that additional design would be required to determine what treatment this work package will provide. Photo 1 below shows effects of flooding that occurred in June 2015 on the proposed wetland site.
- 12.27. Work package E is the Union Street upgrades to provide resilience and reduced maintenance. This includes some land purchase, a culvert upgrade, removal of a culvert and bank stability work. It is also noted that some of the materials for this work package have already been procured and that these works will be beneficial to the scheme.
- 12.28. Work package F is the Purcell Street upgrades and will be required should Work package B be progressed. This work package will provide resilience, reduced maintenance demands and risk of blockages along the Purcell Street drain. Photo 2 below shows effects of flooding that occurred in June 2015 in Purcell Street. Option 5 retains Purcell Street as an open drain and it is currently proposed that the 1200 mm diameter culvert located between Purcell Street and Union Street remains in place to throttle flows down Purcell Street. There are likely to be backwater effects, the extent of which is currently being modelled.
- 12.29. Work package G and H are two different options for the pump stations at the end of Purcell Street. One of these will be required should Work package B be progressed to mitigate additional water flow through Purcell Street. This work package will convey additional flows from Purcell Street into the Foxton Loop. Option G is for dedicated tractor pumps estimated to cost \$620,000, and which would allow the pumps to be redeployed should Horizons decide to proceed with Option 1 or 2 at a later date. Option H is for a permanent pump station that is estimated to cost \$2M and may have reduced value if Horizons decides to proceed with upgrading the scheme to Option 1 or 2 in the future. The tractor pump option

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requires further ongoing staff intervention during storm events, whereas the permanent pump station will be automated with lower operating costs than the tractor pumps. Further modelling and costing may be useful to further inform Council around these options.



Photo 1: Wetland site (work package C & D) on true left bank of Kings Canal (inundated area) and sand bags to prevent overtopping on the true right bank – June 2015.



Photo 2: Purcell Street flooding – June 2015.

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12.30. Should Council decide to proceed with this option, four sub-options (5a-d) are presented for consideration based on two decisions:

- Construction of the Cook Street wetland (yes/no).
- Purcell Street pump (tractor pumps or permanent pump station).

12.31. The costs and descriptions of these sub-options can be seen below:

- 5a - \$9.04M. This sub-option includes work packages A-G (construction of the Cook Street wetland and the use of tractor pumps to pump from Purcell Street into the loop)
- 5b - \$10.42M. This sub-option includes work packages A-F & H (construction of the Cook Street wetland and the construction of a permanent pump station to pump from Purcell Street into the loop).
- 5c - \$7.46M. This sub-option includes work packages A-C, E, F & G (excludes the construction of the Cook Street wetland and includes the use of tractor pumps to pump from Purcell Street into the loop).
- 5d - \$8.84M. This sub-option includes work packages A-C, E, F & H (excludes the construction of the Cook Street wetland and includes the construction of a permanent pump station to pump from Purcell Street into the loop).

12.32. All of the Option 5 sub-options presented above are less than the originally proposed budget (Table 2) and provide a lesser level of service. Funding contributions between funding partners would require reconfirmation. From a Horizons rating perspective, the rating contribution to the project funding would likely change if Option 5 was selected by Council, as the contribution to the project would move to being from the FEDS only, without a contribution from the Whirokino or Moutoa Scheme as shown in the Section 13 below.

Table 2: Summary of costs for the work packages and sub-options for Option 5.

	Project	Budget
Work package	Actual Spend (LTD March 2022)	\$1,396,567
A	Hickford Rd Penstocks and Huzziff Culvert	\$177,493
B	Kings Canal Channel & Culvert Upgrades & Sheet Piling	\$2,114,568
C	Cook Street Land purchase (includes project management & legal costs)	\$556,254
D	Cook Street Wetland Construction	\$1,582,841
E	Union Street upgrades	\$1,160,382
F	Purcell Street upgrades	\$1,433,711
G	Purcell Street Tractor Pump (either option G or option H)	\$620,784
H	Purcell Street Permanent pump (either option G or option H)	\$2,000,784
Sub-option	Total	
5a	All works (A-F) with tractor pump	\$9,042,600
5b	All works (A-F) with permanent pump	\$10,422,600
5c	All works with tractor pump, without wetland development (D)	\$7,459,759
5d	All works with permanent pump without wetland development (D)	\$8,839,759

OPTION 6 – Exit project

12.33. Exiting the project is an option. This will provide Foxton with little gain or increased resilience. If Council selects this option there will be a range of considerations around construction materials that have already been ordered and wrapping up the project investigations, etc that are under way so that these are available for any potential further investigation of options for increased flood protection and resilience for Foxton.

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13. OPTIONS ASSESSMENT - BUDGET SUMMARY

13.1. The options and estimated budgets are summarised in Table 3. In summary, Options 1 and 2 would require additional funding, Option 3 and 4 are not considered hydrologically feasible, and Options 5 and 6 would result in savings to the project.

Table 3: Description and cost breakdown of Options 1 to 6.

Option	Description	Est. Final Cost
1	As is with compulsory acquisition	\$13.98M
2	As is without D-shape wetland	\$12.66M
3	As is with decreased diversion through Lower Whirokino	\$11.78M
4	As is without Whirokino diversion and with additional pipeline through Purcell Street	\$14.61M
5a	Work packages A-G (includes the Cook St wetland and a tractor pump)	\$9.04M
5b	Work packages A-F & H (includes the Cook St wetland and a permanent pump station)	\$10.42M
5c	Work packages A-C, E, F & G (excludes the Cook St wetland and includes a tractor pump)	\$7.46M
5d	Work packages A-C, E, F & H (excludes the Cook St wetland and includes a permanent pump station)	\$8.84M
6	Exit project	\$2.5M

13.2. Any changes to the project will require confirmation of co-funding commitments and changes to Horizons rating for the project. For the purposes of this paper some indicative modelling has been completed (Tables 4 and 5) using the assumptions as outlined below.

13.3. For Options 1 to 4 with increased funding requirements, the funding partner contributions from MBIE (\$6.525M) and HDC (\$2.46M) are modelled to remain the same as it is considered unlikely that additional funding could be sourced from Horizons' project partners. The additional funding is modelled as being provided by Horizons via the three schemes (FEDS, Whirokino and Moutoa) on the same proportional basis as has been assumed for the current budget (Table 5). This results in changes to rate requirements for each of the schemes, as shown in Table 5.

13.4. For the Option 5 sub-options, which all have a lower overall project budget, the assumption modelled (Table 4 and Table 5) include:

- That the MBIE contribution remains the same (\$6.525M) for options 5a, 5b and 5d, however is reduced in the lowest cost option (5c) to maintain the MBIE contribution at a maximum of 75% (\$5.595M);
- That the HDC contribution has been modelled as remaining at the \$1.047M that has been confirmed. With this assumption, Horizons' share of the combined Horizons-HDC contribution is modelled to be 58% for 5a, 53% for 5b, 45% for 5c, and 75% for 5d. Horizons has a larger contribution to HDC for three out of the four options (5a, 5b & 5d) and these options are better for HDC than the current project budget arrangement of 48% Horizons, 52% HDC funding of the combined Horizons-HDC share. Option 5c as modelled is predicted to have a larger contribution from HDC (55% of the combined Horizons-HDC share); and
- That all of the Horizons co-funding is via the FEDS with no contribution from Whirokino and Moutoa schemes (Table 5). This results in savings for all four sub-options in the Whirokino and Moutoa schemes. For the FEDS scheme, three sub-options are modelled to provide for reduced rate impact (5a, 5c and 5d). Sub-option 5b as modelled would have an increase for the FEDS ratepayers, taking the total contribution for the current \$1.63M to \$2.848M – an increase of \$1.218M.

13.5. Option 6 (to exit the project) would see a cessation of expenditure following some close-out work and has been modelled on the basis of 75% from MBIE, 15% from HDC and 10%

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from Horizons. Final funding contributions would need to be negotiated. It is unknown if the unused MBIE funding could be reallocated at this stage of the programme of work.

Table 4: The current project budget and modelled funding contributions for Options 1 to 6 using the assumptions as described in the text.

	Total Budget (\$M)	Budget difference (\$M)		Funding contributions (\$M)			Funding contributions difference (\$M)			Funding contributions (%)		
		Total project	Horizons share	MBIE	HDC	Horizons	MBIE	HDC	Horizons	MBIE	HDC	Horizons
Current budget	11.215	0	0	6.525	2.46	2.23	0	0	0	58%	22%	20%
Option												
1	14	2.785	2.785	6.525	2.460	5.015	0	0	2.785	47%	18%	36%
2	12.66	1.445	1.445	6.525	2.460	3.675	0	0	1.445	52%	19%	29%
3	11.78	0.565	0.565	6.525	2.460	2.795	0	0	0.565	55%	21%	24%
4	14.6	3.385	3.385	6.525	2.460	5.615	0	0	3.385	45%	17%	38%
5a	9.04	-2.175	-0.762	6.525	1.047	1.468	0	-1.413	-0.762	72%	12%	16%
5b	10.42	-0.795	0.618	6.525	1.047	2.848	0	-1.413	0.618	63%	10%	27%
5c	7.46	-3.755	-1.412	5.595	1.047	0.818	-0.930	-1.413	-1.412	75%	14%	11%
5d	8.84	-2.375	-0.962	6.525	1.047	1.268	0	-1.413	-0.962	74%	12%	14%
6	2.56	-8.655	-1.970	1.920	0.380	0.260	-4.605	-2.080	-1.970	75%	15%	10%

Table 5: The current project budget and modelled Horizons ratepayer funding contributions for Options 1 to 6 using the assumptions as described in the text.

	Total Budget (\$M)	Budget difference (\$M)		Horizons funding contributions (\$M)				Horizons funding contributions difference (\$M)			
		Total project	Horizons share	Total	FEDS	Whirokino	Moutoa	Total	FEDS	Whirokino	Moutoa
Current budget	11.215	0	0	2.23	1.63	0.15	0.45	0	0	0	0
Option											
1	14	2.785	2.785	5.015	3.666	0.337	1.012	2.785	2.036	0.187	0.562
2	12.66	1.445	1.445	3.675	2.686	0.247	0.742	1.445	1.056	0.097	0.292
3	11.78	0.565	0.565	2.795	2.043	0.188	0.564	0.565	0.413	0.038	0.114
4	14.6	3.385	3.385	5.615	4.104	0.378	1.133	3.385	2.474	0.228	0.683
5a	9.04	-2.175	-0.762	1.468	1.468	0.000	0.000	-0.762	-0.162	-0.150	-0.450
5b	10.42	-0.795	0.618	2.848	2.848	0.000	0.000	0.618	1.218	-0.150	-0.450
5c	7.46	-3.755	-1.412	0.818	0.818	0.000	0.000	-1.412	-0.812	-0.150	-0.450
5d	8.84	-2.375	-0.962	1.268	1.268	0.000	0.000	-0.962	-0.362	-0.150	-0.450
6	2.56	-8.655	-1.970	0.260	0.190	0.017	0.052	-1.970	-1.440	-0.133	-0.398

14. SHARED MOUTOA PUMP STATION

- 14.1. The designer of the currently proposed upgrade originally suggested a pump station located at the Hokorawa Stream (Duck Creek) outlet into the Loop. This was to provide approximately 2.5 cumecs of pumping with an estimated cost of \$2.5M. This pump station was not included in the original budget, but was to be constructed at a future date.
- 14.2. The current design (Option 1) and the proposed Option 2 for the TAFFMP incorporate a new shared pump station to be constructed as part of this project to remove stored runoff from the FEDS and Whirokino drainage schemes, and also to replace the existing pump station at the bottom of the Moutoa floodway.
- 14.3. This shared design was considered to have significant advantages over constructing two individual pump stations to achieve the two purposes. For example:
 - Larger pumping capacity would be available to remove runoff diverted into the Lower Whirokino quicker, as the larger pumping capacity required to service the Moutoa could also be utilised within the Lower Whirokino. This is predicted to result in reduced frequency and duration of inundation of farmland in the Lower Whirokino;
 - The new location would also provide benefits for the Moutoa scheme in terms of resilience and future proofing for sea-level rise; and

Catchment Operations Committee



11 May 2022

- Lower capital and maintenance costs. It is noted that this is not limited to the structures and pumps themselves. A single pump station could also utilise the one available electricity supply and remove the expense of providing a second supply.
- 14.4. The existing pump and structure on the Moutoa spillway is nearing the end of its useful life and will require significant investment to keep it serviceable until Y8 of the LTP, when replacement is planned. It is therefore proposed that a replacement pump station will be constructed as part of the Lower Manawatu Scheme Climate Resilience project with some funding from LMS reserves and the Moutoa scheme.
- 14.5. Dependant on the options selected for the TAFFMP, the design and construction of the pump station on the Moutoa could proceed in a number of ways: design and construct a pump station that services the Moutoa only. design and construct a shared pump station, or design a shared pump station but only construct elements needed for the Moutoa. This last option would see a staged construction process – Stage 1 being construction of the structure, pumps and pipework for the Moutoa including one intake structure, and electrical and telemetry; Stage 2, if and when construction of either Option 1 or 2 is undertaken, would see additional pumps and fittings added, as well as an additional intake structure and associated gate structures.
- 14.6. In summary, if the shared pump station is not progressed, the overall cost for the pump station (currently estimated at \$5.3M) will be lower (estimated at \$4M). The funding model would be different with the contribution from the Moutoa scheme and the LMS reserves predicted to reduce from \$1.9M to \$0.6M. The contribution from the LMS project is predicted to remain the same at \$3.4M, which includes a contribution from MBIE. Further design and procurement processes will assist with refining these budget estimates.

15. TIMELINE / NEXT STEPS

- 15.1. This project will proceed in accordance with Council decisions relating to this item.

16. SIGNIFICANCE

- 16.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Diandri vanZyl
PROJECT ENGINEER

Shaun Edwards
PROJECTS TEAM LEADER

Dr Jon Roygard
GROUP MANAGER CATCHMENT OPERATIONS

ANNEXES

There are no attachments for this report.

File No.: 22/367

7.4 Proposed Liquefaction Assessment Policy Approach

1. Purpose

The purpose of this report is to present Council with a range of options to inform a policy approach relating to Liquefaction Assessment requirements for Council to consider and adopt.

2. Executive Summary

- 2.1 In November 2019, the Ministry of Business, Innovation and Employment (MBIE) made changes to the New Zealand Building Code which limit the application of the B1 Acceptable Solution B1/AS1 so that it may not be used on ground prone to liquefaction or lateral spreading from 29 November 2021 onward. This was implemented by changing the definition of 'Good Ground' to exclude land with the potential for liquefaction and/or lateral spreading.
- 2.2 The implementation of the new requirements created challenges for the local building sector as they came to terms with providing the appropriate level of information with building consents. Challenges for the local building sector ranged from limited awareness of the new requirements, a lack of local Cone Penetration Testing (CPT) data, the availability of geotechnical engineers and the cost of deep ground investigations. Council officers have been proactive in seeking solutions to help the local sector navigate the new requirements.
- 2.3 Tonkin & Taylor were engaged to provide a report outlining the options that are available to Council as a policy approach regarding liquefaction assessment requirements.

3. Recommendation

- 3.1 That Report 22/367 Proposed Liquefaction Assessment Policy Approach be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Council adopts Policy C from the report 'Options for Liquefaction Assessment in Horowhenua District – 30 May 2022', as part of the Council's liquefaction policy approach.
- 3.4 That Council agrees to treat individual building consent applications under Option 3 from the report 'Options for Liquefaction Assessment in Horowhenua District – 30 May 2022', as part of the Council's liquefaction policy approach.

OR

That Council agrees to apply Options 1-3 in accordance with the development scenario from the report 'Options for Liquefaction Assessment in Horowhenua District – 30 May 2022', as part of the Council's liquefaction policy approach.

- 3.5 That Council agrees to the new Council guidance being applied from 1 September 2022 and that this supersedes the use of the current interim Council guidance.
- 3.6 That Council agrees to accept liquefaction assessments from CPEng structural engineers for the simplified screening approach.
- 3.7 That Council supports in principle the approach of a consent fee rebate being provided to applicants where new CPT data from their consent application is uploaded to the NZ Geotechnical database. Officers are asked to prepare a report for Council to consider that sets out the process and associated cost implications.
- 3.8 That Council approves Officers proceeding with the additional liquefaction assessment and mapping to complete the district liquefaction map, and that this work be funded from within existing operational budgets.

4. Background / Previous Council Decisions

- 4.1 In November 2019, the Ministry of Business, Innovation and Employment (MBIE) made changes to the New Zealand Building Code which limit the application of the B1 Acceptable Solution B1/AS1 so that it may not be used on ground prone to liquefaction or lateral spreading from 29 November 2021 onward. This was implemented by changing the definition of 'Good Ground' to exclude land with the potential for liquefaction and/or lateral spreading. The changes were brought in across New Zealand and came off the back of learnings from the Christchurch earthquakes. The intent of the changes being to ensure that applications provided to Council provide sufficient information for Council to be able to be satisfied on 'reasonable grounds' that sites are suitable for future building, or that structural requirements at building consent stage adequately address site specific geotechnical conditions.
- 4.2 In preparation for the changes to the New Zealand Building Code, MBIE advised Councils to undertake hazard mapping and identify liquefaction-prone areas using the Ministry for the Environment (MfE)/MBIE liquefaction mapping guidance.
- 4.3 New Liquefaction maps were produced for the Horowhenua District as part of the growth planning work, which have been able to be used to support implementation of the changes to B1/AS1. These maps were based on investigations and a report by Tonkin & Taylor that was undertaken in accordance with the MfE mapping guidance and mapped the growth areas to a low level of precision. The maps were limited to the identified growth areas being explored at the time for future growth. The maps did not include the areas of the district that hadn't been identified as potential future growth areas meaning that there are large areas of

the district maps where the liquefaction risk is undetermined. This is because the area has either not been assessed in accordance with the MBIE Guidance or it has been assessed but the investigations were not sufficient to confirm the level of risk.

5. Discussion

- 5.1 In accordance with the change to the New Zealand Building Code and as a result of the low level of precision of the liquefaction mapping undertaken in Horowhenua the changes to B1/AS1 meant that liquefaction assessments were required to be provided with building consent applications received from 29 November 2021 onwards. Building consents within any areas that were identified as having an “unlikely” liquefaction risk on the new maps were not required to provide a liquefaction assessment. For all other areas, and in accordance with MBIE Guidance, liquefaction assessments were required to be completed by geotechnical engineers and to either be based on deep ground investigations, or assessments based on shallow ground investigations with references to local Cone Penetration Testing (CPT).
- 5.2 This initial approach proved challenging for the local building sector for a variety of reasons ranging from limited awareness of the new requirements, a lack of local CPT data, the availability of geotechnical engineers and the cost of deep ground investigations. As a result of this 38% of building consent applications (approximately 38 applications) submitted between 29 November 2021 and 31 January 2022 were placed on hold as a result of requests for further information relating to the new requirements for liquefaction assessments.
- 5.3 Interim guidance was implemented in February 2022 to provide a risk-based approach to offer a more permissive pathway for building consents within areas that were identified as “undetermined” or “unassessed” on the liquefaction maps. This approach was intended to be a temporary approach until a more substantial and permissive approach could be designed by Tonkin & Taylor. The interim approach allowed for liquefaction assessments to be undertaken using shallow ground investigations in accordance with NZS 3604 with a deeper bore hole to confirm soil types and ground water depths. Areas identified as “possible” for liquefaction risk still required deep ground investigations as identified in 5.2 above.
- 5.4 The interim approach has allowed the majority of building consents to progress, at 30 June 2022 there were 18 consents on hold for liquefaction assessments, which represents approximately 12% of consents that were being processed at that time. It is noted that in some cases the liquefaction assessment is not the only reason for the application being on hold awaiting further information.
- 5.5 Tonkin & Taylor were engaged to provide a report outlining the options available to Council for managing liquefaction assessments and to create a risk based approach with a screening tool, based on the geotechnical risks specific the District. The report is attached as Appendix A.
- 5.6 While Council cannot decide to ignore the changes to the New Zealand Building Code, there are a number of implementation aspects that Council can make decisions on in relation to the adoption of a liquefaction policy approach for Horowhenua. These reflect the options presented to Council as part of the Council Briefing held in June 2022 and are outlined below.

6. Options

6.1 Decide on a Policy option

- 6.1.1 Options are policy A, B, C or D from the report Options for Liquefaction Assessment in Horowhenua District – 30 May 2022, attached as Appendix A.

- 6.1.2 The options are set out and explained in the report. The level of detail required and cost for engineering assessments increases from Policies A through D and the level of risk increases with these options.
- 6.1.3 The policies are based on combinations of the three (3) options that are available to Council regarding the geotechnical investigations for consents, these are:
- Option 1: No liquefaction assessment /mitigation guidance provided to practitioners. E.g. Full geotechnical investigation and Specific Engineering Design (SED) required for foundation design.
 - Option 2: HDC endorse adoption of Canterbury guidance. E.g. Full geotechnical investigation where liquefaction mapping lacks sufficient detail and foundation design based on guidance.
 - Option 3: HDC provide Horowhenua-specific guidance including a screening tool. E.g. Shallow ground investigations can be used for low-risk scenarios rather than full geotechnical investigation.
- 6.1.4 The screening tool in the guidance has been established based on Policy C being the preferred policy. If Policy D is the preferred option of Council, it should be noted that the screening tool will need to be revised and may become more restrictive to balance the additional risk associated with Policy D.
- 6.1.5 Officers recommend the adoption of Policy C as this policy would provide an appropriate balance between engineering assessment costs and residual uncertainty.
- 6.2 Decide how Council treat individual building consents with the screening tool
- 6.2.1 Table 1 of the report and the simplified screening tool has different requirements depending on the development scenario. The options presented are more permissive for small-scale developments and are less permissive for larger developments or developments with a higher density of housing. This reflects the increased risk associated with applying the more permissive approach to larger scale developments.
- 6.2.2 The screening tool and options in Table 1 are designed to be applied at both the subdivision and individual building consent level. Individual property owners may find the requirements are overly restrictive and cost-prohibitive if they are required to complete a more detailed level of engineering assessment as a result of their house being in a larger subdivision.
- 6.2.3 Once a Policy (outlined in 6.1 above) has been selected and adopted it can be applied at subdivision level so that more geotechnical information is available to property owners when they apply for a building consent, which will reduce the extent of engineering assessments required at building consent stage. However, until this is routinely applied at the subdivision stage, there will be properties where this level of information isn't available and therefore liquefaction assessments will be needed at building consent.
- 6.2.4 Council can decide to treat individual building consent applications under Option 3 or to apply Options 1-3 in accordance with the development scenario.
- 6.3 Decide how soon we stop using the Interim Guidance and start using new guidance
- 6.3.1 The proposed new guidance (if endorsed by Council) provides a solution for "possible" areas that will have considerable cost savings for customer (as investigations can be based on shallow investigations rather than deep investigations to screen out "high" risk sites).
- 6.3.2 The screening tool won't require additional testing unless the site is within 200m of a free face, however there are differences in the reporting requirements, compared to what is currently being accepted at time of building consent.

- 6.3.3 It should be noted that in some case engineers will have already been commissioned by future applicants to provide reports based on interim guidance. Any change to the guidance before the building consent is applied for, could result in the need for the report to be revised to satisfy the new guidance.
- 6.3.4 The interim guidance is more permissive for the unassessed (or unmapped areas), once officers cease using the interim guidance, it will remove the currently more permissive pathway for these areas.
- 6.3.5 The geotechnical risks associated with continuing to use the interim guidance are greater than the risks associated with adopting a new policy as outlined in the report attached as Appendix A. Therefore Officers recommend that the new guidance be applied from 1 September 2022 which would allow some advance notice to the local building industry ahead of the change.
- 6.4 Decide who Council will accept liquefaction assessments from for the simplified screening approach
- 6.4.1 An option that Council can determine is who Council will accept liquefaction assessments from for the simplified screening approach.
- 6.4.2 Option 1 is a geotechnical engineer as defined in MBIE Guidance.
- 6.4.3 Option 2 is a CPEng structural engineer operating within the scope of Engineering NZ Guidance with input from a geotechnical engineer for sites where “high” category is determined or assumed.
- 6.4.4 The lack of the availability of geotechnical engineers has been identified as a barrier to the speed at which liquefaction assessments can be undertaken at present.
- 6.4.5 The screening tool has been developed with the understanding that CPEng structural engineers would be carrying out the engineering assessments, and the residual risk associated with this has been incorporated into the development of the screening tool.
- 6.4.6 To assist the local community Officers recommend that Council accept liquefaction assessments from CPEng structural engineers for the simplified screening approach.
- 6.5 Decide if Council retain current exceptions
- 6.5.1 A list of the current exceptions where liquefaction assessments are currently not required is attached as Appendix B.
- 6.5.2 The exceptions represent lower risk projects, which are either small habitable buildings, small additions to existing buildings or non-habitable buildings. These exceptions do not apply in situations where there is a known geological risk.
- 6.5.3 The treatment of Importance level 1 (IL1) buildings (non-habitable) in the exceptions is in line with MBIE guidance.
- 6.5.4 The exceptions can be retained as drafted, can be expanded or can be reduced based on the desired level of residual risk. Having had the benefit of the new requirements being implemented for the last eight months, officers are comfortable that the current list of exceptions is working and feels fit for purpose.
- 6.6 Decide if Council should offer discounts to customer who upload their CPT data to NZ Geotechnical database
- 6.6.1 One of the challenges that has been experienced since implementation has been the lack of local CPT data on the national database. CPT data uploaded to the NZ Geotechnical

database can be utilised by others and has potential to reduce the level of testing required for nearby developments.

6.6.2 The more CPT data in the database, the more information available to refine the liquefaction mapping and that can be drawn on by others working in the same area.

6.6.3 CPT testing costs applicants significantly more than the shallow ground investigations provided under the screening tool and there is less residual risk to Council as a result on reliance of CPT data.

6.6.4 It is acknowledged that CPT data comes at a cost and is paid for by the applicant where testing is undertaken. When uploaded it does enable others to benefit from that testing data without compensation to the applicant who paid for the original testing. To encourage the data to be uploaded, applicants could be offered a rebate on building consent fees or resource consent fees where CPT testing associated with their engineering assessment is uploaded to the NZ Geotechnical database. While Council officers are provided with some of this data as part of the application process, to ensure there are no data ownership or privacy issues the best approach would be for the applicant to ensure that the CPT data is uploaded and for this to be confirmed with Council to be able to access the rebate.

6.7 Undertake additional liquefaction mapping

6.7.1 The liquefaction assessments originally undertaken for the district were focused on the growth areas and were undertaken to inform the Council's growth planning work. Council were briefed on extending the extent of the assessments to prepare for the impending changes to the Building Code but at the time advised officers to focus on the potential growth areas. With the new requirements being in place for eight months, officers have had the benefit of seeing the challenges it creates for the local building sector (and ultimately future homeowners) with such large areas of the district unassessed or undetermined.

6.7.2 Officers have requested and received a proposal to undertake additional assessments to 'complete' the liquefaction map for the district. This would involve a Level A (desktop assessment) as defined in the MBIE/MfE guidance, utilising available deep investigation and groundwater data. This assessment would typically result in categorisation of the land into one of the following three vulnerability categories – Liquefaction is Undetermined, Unlikely or Possible. If a more detailed categorisation level (e.g. very low, low, medium, or high) was desired then it would be possible to then target certain areas for a more site specific level of testing (Level C assessment).

6.7.3 The geotechnical experts who have provided the proposal to undertake this work have identified that a final report would be completed within three months of being given instruction to proceed.

6.7.4 The benefit of additional mapping and having the complete district categorised as Liquefaction is Undetermined, Unlikely or Possible, is that it would then provide a clear pathway for those applying for building consent (i.e. there would not be properties that were unassessed and subject to a more difficult pathway).

6.7.5 The cost of completing this assessment and mapping would be less than \$100K.

6.7.6 This mapping project had been identified as a project that could potentially be funded through the Better Off funding. Given the time extension that has been applied to that funding and balancing this against the time the local sector is operating with the current maps, it is recommended that Council approves this additional mapping project and that it is funded from within existing budgets so that the assessment and mapping work can be completed this calendar year.

6.8 Summary

- 6.8.1 If the decisions are made above in accordance with the officer recommendations, the following will be required for a liquefaction assessment to accompany a building consent application for a new dwelling.
- 6.8.2 In areas that are mapped as “Possible” and “Undetermined”, the minimum that customers will need to provide will be a liquefaction assessment completed by a CPEng Structural Engineer. The assessment will be based on shallow ground investigations (e.g. Scala penetrometer testing) carried out in accordance with NZS 3604 and a bore hole to 4m (where possible). The report submitted will need to include a map identifying the test points (in accordance with NZS 3604), soil logs for all test points, an indication of the depth of groundwater (if encountered). The report writer will need to comment on the crust thickness and make an assumption of the liquefaction risk based on the soil types observed and depth of groundwater in accordance with the screening tool. In some cases information about the distance and height to the nearest free-face will be required, this can be based on LiDAR data, online maps and on-site observations and an assumption of liquefaction risk can be made based on the screening tool.
- 6.8.3 For areas identified as “Unlikely” on the liquefaction maps, the minimum requirement will be that a comment is provided with the ground bearing report (carried out in accordance with NZS 3604) that the soil types observed on site are consistent with what is anticipated for that area.
- 6.8.4 In areas where the liquefaction risk has not been determined that are classed as “Unmapped” or “Unassessed”, the minimum requirements is that a liquefaction assessment will need to be undertaken in accordance with MBIE Guidance.

6.9 **Cost**

The costs associated with the options outlined above include the cost of the additional liquefaction assessment and mapping, and the rebate for when new CPT data is uploaded to the NZ Geotechnical database. The cost of the liquefaction mapping proposal is to be less than \$100k and it is recommended that it be funded from within existing operational budgets.

The cost of the rebate process of uploading the CPT data would be the subject of a further report to Council if this option is supported by Council.

6.9.1 **Rate Impact**

There will be no Rate impacts arising.

6.10 **Community Wellbeing**

There are no negative impacts on Community Wellbeing arising.

6.11 **Consenting Issues**

There are no Consents required or consenting issues arising from the options.

6.12 **LTP Integration**

There is no LTP programme related to the options or proposals in this report. There are no Special Consultative Processes required.

7. **Consultation**

There are no specific legal or statutory requirements to consult on the options proposed. While no direct consultation has been undertaken on the options proposed the no consultation required to be undertaken.

8. Legal Considerations

All of the options presented would meet Council's statutory obligations and legal requirements.

9. Financial Considerations

There is no financial impact.

10. Iwi Considerations

There are no specific Iwi considerations arising from the options proposed.

11. Climate Change Considerations

There is no specific Climate Change impact arising from the options proposed.

12. Environmental Considerations

There are no specific Environmental considerations arising from the options proposed.

13. Health & Safety Considerations

There are no specific Health & Safety impacts arising from the options proposed.

14. Other Considerations

There are no other considerations.

15. Next Steps

- 15.1 Once decisions made by Council in relation to the options (6.1 – 6.6) outlined in this report, these will be confirmed as the Council policy approach to the liquefaction assessment requirements. The policy approach will be implemented, updated on the Council website and communicated to the local building industry.
- 15.2 In addition Officers would identify consents that are currently on hold awaiting liquefaction assessments and communicate changes directly to the affected customers.
- 15.3 Training would be offered to the local building industry on the new policy approach.
- 15.4 If Council approves proceeding with Option 6.7 to undertake the additional liquefaction assessment and mapping of the district, Officers would confirm the contract and instruct the geotechnical experts to commence work.

16. Supporting Information

Strategic Fit/Strategic Outcome existing Council strategies and plans related to housing and development. The permissive approach enabled by the adoption of this policy approach will reduce some of the costs associated with the engineering investigations required to meet regulatory requirements regarding foundation design for buildings. This supports the goals of the Housing Action Plan relating to affordable housing and the creation of resilient communities

Decision Making

recognised as not significant in terms of S76 of the Local Government Act.

Consistency with Existing Policy

There is no existing Council policy on liquefaction assessment.

Funding

Funding is identified for this work within existing budgets

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Strategic	Policies A & B – The costs associated with the level of engineering assessments will be relatively high and may discourage land development.	High	Likely	High	It is recommended that Policy C is adopted as that will allow a balance between costs associated with development and residual risk. The liquefaction policy and screening tool can be reviewed if further liquefaction mapping is carried out within the District.
Financial					
Service Delivery					
Legal					Policy C & D - Because of the balance adopted between cost and accuracy of Option 3, there remains greater residual uncertainty in the accuracy of the results, which needs to be accepted as part of using this simplified screening assessment.
Reputational	Policy D – Implementation of the policy will be delayed as Option 3 would need to be revised and may become less permissive overall. These delays will result in additional costs to developments in the interim. If Option 3 became less permissive, this	Low	Likely	Moderate	

	could also introduce additional costs associated with development.				
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Confirmation of statutory compliance



In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

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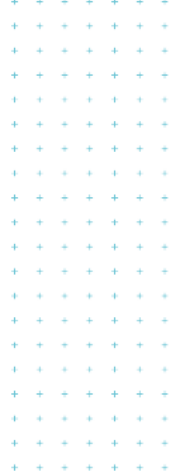
Approved by	David McCorkindale Group Manager - Customer & Strategy	
	Monique Davidson Chief Executive Officer	

REPORT



Options for Liquefaction
Assessment for Resource
and Building Consent

Prepared for
Horowhenua District Council
Prepared by
Tonkin & Taylor Ltd
Date
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Document Control

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15/03/2022	Draft 0.1	Draft for consultation	Elyse Armstrong	John Brzeski	Mike Jacka
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1 Objective

This report is intended to assist Horowhenua District Council (HDC) as they develop a framework for assessing liquefaction vulnerability for practitioners and council staff, to promote a consistent approach to liquefaction hazard in Building Consent applications in Horowhenua District.

The objectives of this report are to:

- Provide an overview of the existing national-level and district-level guidance related to resource consent and building consent liquefaction assessments.
- Provide a preliminary outline of a potential framework or a pragmatic screening approach that Horowhenua District Council could consider for assessing liquefaction vulnerability assessments accompanying resource consent and building consent applications for typical individual building projects in Horowhenua District. This includes a focus on residential-style buildings, to help find an appropriate balance between the costs involved in detailed liquefaction assessment and the level of precision required for a particular situation.

This report is not intended to be a prescriptive document that captures all possible eventualities. The responsibility for specific engineering design and construction review for land development and building works remains with the designers of those works.

2 Background

In 2020 Horowhenua District Council (HDC) engaged Tonkin & Taylor Ltd (T+T) to undertake liquefaction hazard mapping for potential growth areas within the district (T+T, 2020¹) and further assessment for a mapping in Foxton Beach² in accordance with the MBIE/MfE (2017)³ guidance. Ten areas were identified as potential growth areas comprising Foxton Beach, Foxton, Tokomaru, Shannon, Waitarere Beach, Mangaore, Levin, Ohau, Waikawa Beach, and Manakau.

The MBIE/MfE guidance defines a tiered system of liquefaction vulnerability categories, as shown in Figure 2.1. Much of the land in the district's areas of potential future growth areas has been assigned the liquefaction vulnerability category of **Liquefaction Damage is Possible** or **Liquefaction Damage is Undetermined**, with a small proportion of the Levin assigned a category of **Liquefaction Damage is Unlikely** (Figure 2.2). As is typically the case for regional assessments such as this, more precise categorisation (e.g., distinguishing between **Medium** and **High** liquefaction vulnerability categories) was not possible due to a lack of both subsurface geotechnical investigation and detailed groundwater information.

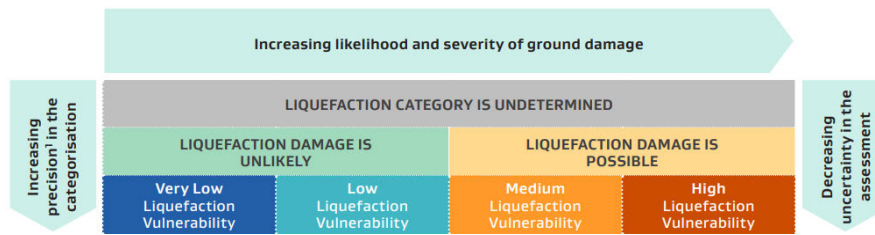
Recognising that in many cases more detailed assessment of liquefaction will be required to support Building Consent applications, HDC has now engaged T+T to provide technical advice regarding the ways in which Council could assist practitioners and HDC Building Control staff. This report focusses on the scope of liquefaction assessment likely to be appropriate for each liquefaction vulnerability category, taking into account the types of development and ground conditions most common across the district and in particular within the areas identified as potential growth areas.

¹ Tonkin and Taylor, (2020). *HDC Horowhenua District Potential Growth Areas, Liquefaction Assessment* report reference 1009677.v2

² Tonkin and Taylor, (2020). *HDC Property, Foxton Beach Liquefaction Assessment* report reference 1009677.0010.v2

³ MBIE/MfE (2017) Planning and engineering guidance for potentially liquefaction-prone land, Version 0.1, September 2017, Wellington: Ministry of Business Innovation and Employment.

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Note:

- 1 In this context the 'precision' of the categorisation means how explicitly the level of liquefaction vulnerability is described. The precision is different to the accuracy (ie trueness) of the categorisation.

Figure 2.1: Liquefaction classifications from MBIE/MfE (2017)

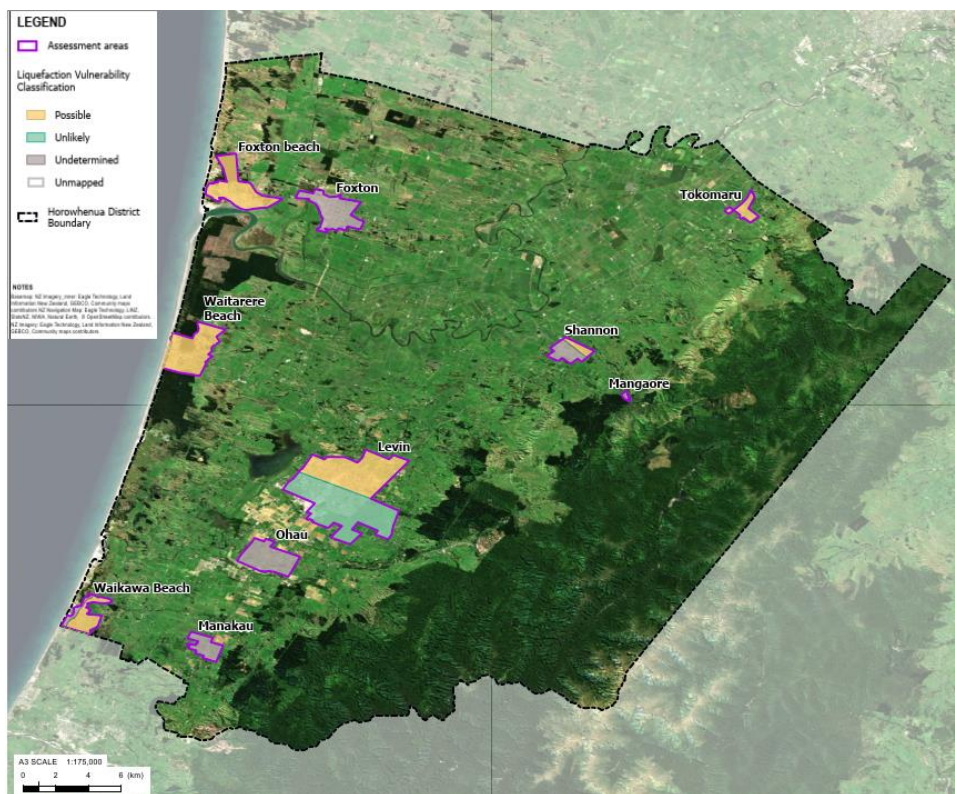


Figure 2.2: HDC liquefaction vulnerability categories assigned by T+T¹ (2020)

3 Liquefaction guidance, resource and building consent compliance

3.1 National-level guidance

In November 2019, the Ministry of Business, Innovation and Employment (MBIE) made changes to the NZ Building Code which limit the application of the B1 Acceptable Solution B1/AS1 so that it may not be used on ground prone to liquefaction or lateral spreading from 29 November 2021 onward⁴. This was implemented by changing the definition of ‘Good Ground’ to exclude land with the potential for liquefaction and/or lateral spreading.

Figure 3.1 illustrates the Building Code regulatory framework for New Zealand (MBIE, 2022b). The Building Act and Building Code are mandatory legislation that control three different compliance pathways for buildings in New Zealand. These compliance pathways comprise Alternative Solutions, Verification Methods and Acceptable Solutions.

B1/AS1 is the Acceptable Solution that is the most used means of compliance for residential buildings in New Zealand. For other types of buildings (such as commercial and industrial buildings), other compliance pathways may be more appropriate (such as specific engineering design using the MBIE/New Zealand Geotechnical Society (NZGS) modules in conjunction with B1/VM1) so these are less affected by the change to the definition of ‘Good Ground’. The advice in this current report is therefore primarily focussed on residential buildings.

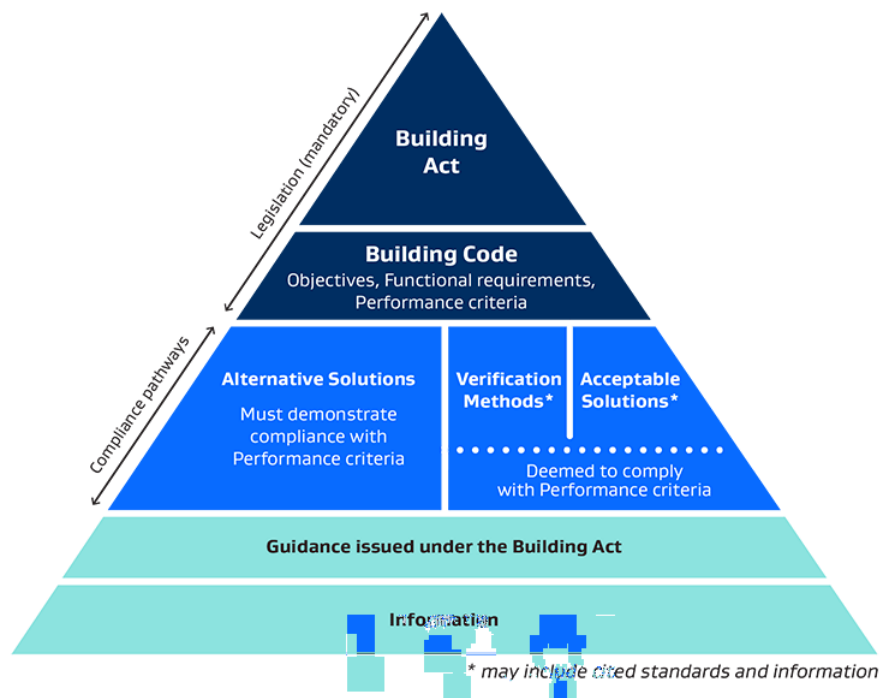


Figure 3.1: Regulation framework figure provided by MBIE – Building Performance (2021)

⁴ [November 2019 Building Code update | Building Performance](#), accessed 25 November 2021

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MBIE have issued various guidance documents on assessing and addressing liquefaction hazards. The following guidance documents were issued under Section 175 of the Building Act, so while not Acceptable Solutions or Verification Methods, where appropriate they may be used to demonstrate compliance with the Building Code⁵ under the Alternative Solution pathway.

- **Ministry of Business, Innovation & Employment – Canterbury Guidance (2018):** The Canterbury Guidance was written to provide a streamlined approach for investigating and selecting foundation solutions for addressing liquefaction prone land in Canterbury to aid in fast-tracking the earthquake recovery. The guidance and processes contained therein are based on the Technical Category (TC) maps, published in 2011 which are only available in Canterbury. While it was initially intended only for use in Canterbury (and this is a stated limitation in the text), at the time of the change to B1/AS1, MBIE added the following note, referring users to the MBIE Canterbury guidance (2018): ‘For houses built in areas that have potential for liquefaction, the MBIE guidance document “Repairing and rebuilding houses affected by the Canterbury earthquakes” may be appropriate. This guidance provides a range of potential foundation solutions depending on the expected ground movement and available bearing capacity. These parameters also determine the required degree of involvement of structural and geotechnical engineers and the extent of specific engineering design.’ MBIE has also published information on their website that relates the TC categories to the liquefaction vulnerability categories in the MBIE/MfE Guidance (2017) (discussed below).
- **Ministry of Business, Innovation & Employment/New Zealand Geotechnical Society Earthquake geotechnical engineering Modules (2021):** MBIE/NZGS module 4 “Earthquake resistant foundation design” discusses compliance and is primarily intended for buildings which typically require specific engineering design. This approach requires defining settlement limits (both total and differential) for buildings to achieve satisfactory performance. Compliance is thereby achieved by defining allowable settlement limits, and specifically designing the foundation and any required earthworks to achieve these limits. This approach is generally not used for routine residential buildings.
- **Ministry of Business, Innovation & Employment/Ministry for the Environment Guidance (2017):** The primary focus of the MBIE/MfE Guidance (2017) is on developing a framework for managing liquefaction hazard by appropriate land use planning under the Resource Management Act, however, Section 3.8 of the document also briefly addresses compliance with the Building Act. It contemplates that most residential houses not requiring specific engineering design would achieve compliance via B1/AS1 but acknowledges that B1/AS1 currently does not address liquefaction.

MBIE also subsequently published information on their website (MBIE, 2022a) on liquefaction in July 2021. This indicates that designers can follow a simplified compliance pathway by considering foundation options outlined in the MBIE Canterbury Guidance (2018). It also provides an indication of how these foundations could relate to the MBIE/MfE Guidance (2017) liquefaction vulnerability categories as shown below (while also noting there is not a direct correlation and other factors and uncertainties should also be considered).

- **Very Low** and **Low** liquefaction vulnerability = Adopt TC1-type foundations
- **Medium** liquefaction vulnerability = Adopt TC2-type foundations
- **High** liquefaction vulnerability = Adopt TC3-type foundations

⁵ Building Act (2004), Section 19 (2)(b)

3.2 District-level liquefaction guidance

3.2.1 Liquefaction vulnerability categories and 'Good Ground'

T+T (2020¹) classified land within ten growth areas identified across Horowhenua District into one of three liquefaction vulnerability categories: **Liquefaction Category is Undetermined**; **Liquefaction Damage is Unlikely**, or **Liquefaction Damage is Possible**. The currently available information does not support further classification of the land into the other (more precise) categories of **Very Low**, **Low**, **Medium** or **High** liquefaction vulnerability. Therefore, translating the currently mapped vulnerability categories to recommendations for TC1/2/3-type foundations is not immediately possible. This outcome is generally expected in a regional-scale study, and it is anticipated that more detailed site-specific assessments to support resource and building consents would follow.

The relevant classifications for the Horowhenua district are explained below:

- Land that has been categorised as **Liquefaction Damage is Unlikely** is not considered to be “prone to liquefaction or lateral spreading” so is not excluded from the B1/AS1 definition of ‘Good Ground’ on this basis (however some locations may still not qualify as ‘Good Ground’ due to unrelated issues such as such as soft soils).
- Land that has been categorised as **Liquefaction Damage is Possible** is considered to be “prone to liquefaction or lateral spreading” and therefore does not meet the definition of ‘Good Ground’ as outlined in the Building Code amendments.
- For land that has been categorised as **Liquefaction Category is Undetermined** there is currently insufficient information to determine whether it is “prone to liquefaction or lateral spreading” within the context of the definition of ‘Good Ground’ as outlined in the Building Code amendments. If liquefaction vulnerability assessment at a higher level of detail is undertaken in future (e.g., a site-specific assessment) then this may result in reclassification of the land into a different category and whether it meets the definition of ‘Good Ground’ should be reconsidered based on that new information.
- For land that is **Unmapped**, no liquefaction assessment has been completed, so this land has not been categorised into one of the three liquefaction vulnerability categories above.

3.2.2 Areas Mapped as **Liquefaction Damage is Unlikely** in Horowhenua District

This applies to the Southern Part of Levin only. This area in Horowhenua District gently slopes northwest across the relatively flat site area. The southern area of Levin’s growth area comprises river deposits comprising gravels with minor sand/silt.

3.2.3 Areas Mapped as **Liquefaction Category is Undetermined** in Horowhenua District

This applies to parts of Foxton, Shannon, Mangaore, Ohau, Waikawa Beach (Low elevation West) and Manakau. These areas typically span multiple geological units and there is currently insufficient information to classify the liquefaction hazard. Geological maps and the limited investigation data available indicate that these areas comprise sediments deposited in both high energy and low energy environments, which are likely to have both plastic and non-plastic behaviours.

These areas could also be further divided into areas of relative higher and lower elevation:

Lower elevations

The currently available data indicates that these areas are typically characterised by younger sandy and silty soils, shallower groundwater, and thinner crust thickness. These characteristics are generally indicative of greater liquefaction vulnerability, so if site-specific assessments were undertaken in future we expect that these would often (but not always) indicate a vulnerability category of **Liquefaction Damage is Possible**.

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Higher elevations

The currently available data indicates that these areas are typically characterised by older gravelly soils, deeper groundwater, and thicker crust thickness. These characteristics are generally indicative of lesser liquefaction vulnerability, so if site-specific assessments were undertaken in future we expect that these would often (but not always) indicate a vulnerability category of **Liquefaction Damage is Unlikely**.

3.2.4 Areas Mapped as **Liquefaction Damage is Possible** in Horowhenua District

This applies to parts of Foxton Beach, Tokomaru, Shannon – northeast area, Waitarere Beach and Levin. Geological maps, topographical information, limited groundwater data and investigation records suggest that these landforms are made up of Alluvial channels and plains and Marine deposits. Both these types of geomorphic terrains commonly include soil deposits that are susceptible to liquefaction. Free faces are associated with this terrain in the form of riverbanks, stop banks, streams, dunes and drainage ditches, all of which are visible on aerial photography and LiDAR imagery. The MBIE/MfE (2017) guidance notes that in the presence of liquefaction-susceptible soils, lateral spreading is more likely to be possible within 200 m of free faces more than 2 m high.

These areas could also be further divided into areas of relative higher and lower elevation:

Lower elevations

Typically, soils found in the lower elevations are in alluvial channels and plains terrain which are geologically young (Holocene-aged) and deposited in low to high energy environments forming a variety of soils, including loose and soft strata. The characteristics of the soils comprising these terrains are highly variable in nature and vary spatially across the landscape. Alluvial sediments typically range from granular gravels, sands and silts to fine grained soil deposits (clay and silt) with plastic-type behaviours. These soils typically contain materials that are susceptible to liquefaction.

The depth to groundwater is also likely to be shallow (< 4 m) within this terrain because it is generally associated with active and historic river and stream systems, as well as water bodies such as lakes. The MBIE/MfE (2017) guidance typically associates these alluvial terrains as being susceptible to liquefaction. Some areas could have variable groundwater levels due to variation in ground elevation, where groundwater typically becomes deeper at higher elevations.

Higher elevations

Typically soils found within the higher elevations are Marine deposits that are geologically older than those in the low-lying areas (Pleistocene-aged) and comprise gravels and sands. It is expected that groundwater levels are typically deeper in these areas with these deposits resulting in a thicker crust however may also have paleo-channels present resulting in variable ground conditions.

3.2.5 Unmapped Areas in Horowhenua District

The T+T liquefaction assessment has assigned liquefaction vulnerability classifications to the potential growth areas as shown in Figure 2.2 . The remaining parts of the District outside of these mapped areas should be treated as unmapped and a liquefaction assessment in line with the MBIE 2017 guidelines should be undertaken to the level of detail required by the stage and type of the development.

4 Assessing and mitigating liquefaction vulnerability in Horowhenua District

For consent applications where liquefaction hazard could be relevant if it were present (e.g., almost all subdivision and building consents) the application will either need to:

- Justify why liquefaction isn't a hazard associated with a subject site or proposed activity; or
- Provide mitigation options to appropriately manage the liquefaction hazard.

Consent applications will need to assess soil conditions and ground water conditions on a site-specific basis to assess the liquefaction hazard, particularly for sites that have been categorised as *Liquefaction Category is Undetermined* and *Liquefaction Damage is Possible*.

4.1 Level of detail in resource and building consents

The key difference between resource and building consent applications will lie in the level of detail in the assessment. Resource consent applications are typically lodged when designs are largely conceptual and there are still a number of details to be worked through. The conceptual design may be based on relatively limited investigation information which means that there may be more residual uncertainty about liquefaction vulnerability at the site. As result, there could be a broad number of mitigation options available at this stage. A key focus is demonstrating that there are practical and effective options available to manage hazards, rather than selecting and finalising the details of one single option.

Conversely, at building consent stage the design will be significantly refined as it will have moved through to detailed design stage. If, as part of the resource consent application, liquefaction was identified as a hazard requiring mitigation it may be necessary to collect additional investigation information to further reduce the degree of residual uncertainty. Therefore, a higher level of detail study may be necessary to support the building consent application.

Recognising these differences, the MBIE/MfE Guidance (2017) outlines the minimum level of detail required for liquefaction vulnerability assessments for three different development stages. These development stages relate to resource consents for plan changes, resource consents for subdivision and building consents. For each stage of the development cycle, the guidance relates to five development scenarios which are defined as:

- 1 Sparsely populated rural area (lot > 4 hectares) e.g., a new farm building.
- 2 Rural-residential setting (lot size of 1 to 4 hectares) e.g., a "lifestyle" property.
- 3 Small-scale urban infill (original lot size <2500 m²) e.g., demolish old house and replace with four townhouses.
- 4 Commercial or industrial development e.g., a warehouse building in an industrial park.
- 5 Urban residential development (typically 15 – 60 households per hectare) e.g., a home in a new subdivision.

The guidance outlines a risk-based approach where the recommended minimum level of detail in the liquefaction assessment varies by both the stage of the development and the type of development scenario. Lower levels of detail are recommended for earlier stages of the development cycle (e.g., resource consent for plan change). Similarly, lower levels of detail are recommended for smaller scale developments (e.g., sparsely populated rural area). For more information about these recommendations refer to Section 3.5 (specifically Tables 3.5, 3.6 and 3.7) of the MBIE/MfE Guidance (2017).

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4.2 Options for assessing and mitigating liquefaction vulnerability

We have identified several different options for approaches that Horowhenua District Council could consider when assessing liquefaction vulnerability during resource consent or building consent applications in the Horowhenua District. These options are:

Option 1: No liquefaction assessment / mitigation guidance provided to practitioners

The default approach (in the absence of guidance from MBIE or Council) would be that site-specific geotechnical engineering assessment would be required to support the resource consent or building consent application in all cases where liquefaction hazard could be relevant if it were present (e.g., almost all subdivision and building consents). This approach would use fundamental geotechnical engineering principles to assess liquefaction vulnerability. Typically this would include site-specific deep ground investigations and recommendations for site development works and foundation solutions to mitigate the effects of liquefaction (if required). Unless the assessment demonstrated that the site was not prone to liquefaction, every building would require specific engineering design, typically with reference to the MBIE/NZGS Earthquake engineering modules – there would be no reference to NZS 3604:2011 foundation options or the MBIE Canterbury Guidance (2018) foundation options.

Option 2: HDC endorse adoption of Canterbury guidance

Alternatively, foundation options provided in the MBIE Canterbury Guidance (2018) could be specified to mitigate the potential effects of liquefaction for land and building developments across the district. This approach would still require site-specific geotechnical assessment (and often deep ground investigations) and as such, constitutes a form of specific engineering design. However, the process used by designers to choose appropriate mitigation options would be streamlined with reference to the MBIE Canterbury Guidance (2018). Selection of the foundation options could be further streamlined by undertaking a site-specific liquefaction vulnerability assessment in accordance with the MBIE/MfE Guidance (2017) and correlating the foundation options to the assigned liquefaction vulnerability category as described in Section 3.1.

Option 3: HDC provide Horowhenua-specific guidance

A third approach could remove the need for extensive site-specific geotechnical investigations for some sites and development scenarios. It would aim to provide a balance between cost and accuracy of liquefaction assessments, taking into account the associated risks. A simplified screening assessment could be developed to strike a pragmatic balance between the cost and accuracy of liquefaction assessments for typical individual building projects in the Horowhenua district. This risk-based approach to managing uncertainty is discussed in more detail in Appendix J1 of the MBIE/MfE Guidance (2017), and similar concepts around also feature in recent MBIE regulatory reform discussion documents (MBIE, 2018 & MBIE, 2019).

This approach would allow users to transition from sites previously categorised as **Liquefaction Category is Undetermined** to an assumed category of either **Liquefaction Damage is Unlikely** or **Liquefaction Damage is Possible**.

If application of the screening criteria results in recategorisation of the site as **Liquefaction Damage is Unlikely** then it is assumed to be not “prone to liquefaction or lateral spreading” and it is not excluded from the B1/AS1 definition of ‘Good Ground’ on this basis. If application of the screening criteria results in recategorization of the site as **Liquefaction Damage is Possible** then the site can be assessed against two additional screening criteria to assess the non-liquefiable crust thickness, and the potential for lateral spread. The outcome of the assessment against those two criteria will result in an assumption of **Medium** or **High** liquefaction vulnerability and specification of TC2-type or TC3-type foundations respectively.

Because of the balance adopted between cost and accuracy of Option 3, there remains greater residual uncertainty in the accuracy of the results, which needs to be accepted as part of using this simplified screening assessment. In particular:

- It is expected that in the majority of cases the screening assessment will determine the correct liquefaction vulnerability category.
- In some cases, the screening assessment will over-predict the liquefaction vulnerability. In these cases it is favouring an approach where money is invested in building a more robust foundation which can handle poorer ground conditions (more than only liquefaction), rather than spending an often-similar amount of money on more detailed liquefaction assessment which might (or might not) show that a less robust foundation system would suffice.
- In a smaller number of cases, the screening assessment will under-predict the liquefaction vulnerability. In these cases, it is favouring an approach where a minor increase in damage in localised areas if/when/where an earthquake occurs in the future is balanced against the high up-front cost of more detailed assessment and more robust foundations across the entire district. We note that in most (but not all) circumstances the consequences of under-predicting liquefaction vulnerability relate primarily to matters of amenity, habitability and repair cost, rather than questions of life-safety.
- To issue a Building Consent, Council needs to be “satisfied on reasonable grounds” that the provisions of the Building Code would be met if the building work were properly completed in accordance with the plans and specifications. Similarly, owners, designers and builders must have reasonable grounds to believe that building work complies with the Building Code. It may be useful to seek legal advice and/or a determination from MBIE to confirm that this option for a risk-based approach is appropriate, and that the residual uncertainty in the liquefaction assessment does not undermine these reasonable grounds for Building Code compliance.

4.3 Possible policy approaches for Horowhenua District Council

Section 4.2 presents three options for assessment and mitigation of liquefaction vulnerability, ranging from providing no guidance to practitioners (Option 1) through to providing district-specific guidance (Option 3). However, there is no need for HDC to select a blanket approach which applies in all cases, and it may be appropriate to adopt different options in different situations. Table 4.1 provides four examples (Policy A through to D) for different combinations of liquefaction assessment/mitigation options that could be adopted in different development scenarios. Each example policy approach is discussed in further detail below.

Deciding on the policy approach that is most appropriate for HDC will involve consideration of a range of factors, such as the need to balance cost and demand for urban development against the risk appetite for accepting a degree of uncertainty in the liquefaction assessment. As noted in Section 5 of the MBIE/MfE Guidance (2017), the risk management process now moves from a technical stage to the beginning of a decision-making stage and so needs to involve the relevant stakeholders and decision-makers.

The level of engineering assessment and mitigation that is optimum for HDC will be strongly influenced by the specific local context, including:

- Availability of existing subsurface geotechnical investigations and groundwater monitoring;
- The spatial extent, density and type of building activity expected in future;
- The skillset of local engineering practitioners;
- The expected range of ground conditions inferred from geomorphic mapping;
- The level of seismic hazard; and
- Integration with other council processes for natural hazard management (e.g., District Plan).

Table 4.1: Example of the range of policy approaches that could be considered for liquefaction assessment/mitigation options adopted in different development scenarios

Development scenario	Potential HDC policy settings			
	Policy A	Policy B	Policy C	Policy D
Sparsely populated rural area (lot size >4 ha) e.g., a new farm building	Option 1	Option 2	Option 3	Option 3
Rural-residential setting (lot size of 1 to 4 ha) e.g., a "lifestyle" property	Option 1	Option 2	Option 3	Option 3
Small-scale urban infill (original lot size <2500 m ²) e.g., demolish old house and replace with four townhouses	Option 1	Option 2	Option 3	Option 3
Commercial or industrial development e.g., a warehouse building in an industrial park	Option 1	Option 1	Option 1	Option 1
Urban residential development (typically 15-60 households per ha) e.g. home in a new subdivision	Option 1	Option 2	Option 2	Option 3

Notes:

- Option 1:** No liquefaction assessment /mitigation guidance provided to practitioners.
Option 2: HDC endorse adoption of Canterbury guidance.
Option 3: HDC provide Horowhenua-specific guidance.
- This table shows the highest option number that would be available for practitioners to use in each development scenario for each policy option. In most cases practitioners would also have the option to choose a lower numbered option (e.g., site-specific liquefaction assessment and engineering design would remain an option if practitioners did not wish to follow the available guidance or it was not applicable for the particular circumstances).

Policy A: This involves application of Option 1 (no guidance) in all cases, which would require site-specific liquefaction assessment and specific engineering design to determine suitable mitigation options (if required) for each of the development scenarios and for 'unmapped' areas. This approach would provide practitioners with a high level of flexibility in how they determine suitable mitigation solutions. The detailed assessment required would likely result in lower residual uncertainty about the liquefaction vulnerability, and provide greater confidence in the efficiency and effectiveness of the adopted mitigation solution. However, it would require a high degree of technical competency from both the practitioners developing the solution and the building control officer evaluating the suitability of those solutions. It may also result in higher costs for both investigation requirements, design and approvals being passed on to the applicant as well as longer lead times to develop and evaluate those solutions.

Policy B: Option 1 (no guidance) would apply to all commercial and industrial development scenarios, and all 'unmapped' areas. This is because for these types of development the geotechnical requirements can vary greatly depending on the specific details of the site, the proposed building and foundation type, and the particular functional requirements. This means that specific engineering input is typically required (even if liquefaction is not an issue) and there is little scope to provide guidance for simplified assessment.

Option 2 (Canterbury guidance) would be available for all residential development scenarios. Alternatively, Option 1 could be adopted by the practitioner if they considered it was more appropriate to undertake site-specific assessment and design. This approach provides the same high level of flexibility to practitioners as Policy A, but also with the option of streamlining the selection of standard mitigation solutions from the MBIE Canterbury Guidance (2018). This guidance is intended for use with one- and two-storey timber framed dwellings and therefore for larger and/or more complex residential builds the practitioner may opt for Option 1. When compared to Policy A, this approach enables streamlining of the selection of mitigation solutions for standard residential buildings although the costs may still be significant, in particular on sites where deep investigations are required. At present this approach is being used frequently across New Zealand for liquefaction prone sites.

Policy C: Option 1 (no guidance) would apply to all commercial and industrial development scenarios and 'unmapped' areas, for the reasons discussed above.

Option 2 (Canterbury guidance) would be available for all residential scenarios, with the option for the practitioner to adopt Option 1 if preferred.

Additionally, Option 3 (Horowhenua-specific guidance) would be available for simpler smaller-scale residential applications. This approach further simplifies the process by adding a screening criteria as a tool for practitioners to select a mitigation solution for lower-risk situations. However, as discussed in Section 4.2, the upfront saving this gives in terms of reduced time and cost for engineering assessment is offset against the potentially reduced accuracy. This means that in some cases the adopted foundation may be more robust than required to meet minimum Building Code requirements (incurring higher up-front construction costs), or in some cases the adopted foundation may be less robust than required (with potential for increased damage if/when/where an earthquake occurs in the future).

Policy D: Option 1 (no guidance) would apply to all commercial and industrial development scenarios and 'unmapped' areas, for the reasons discussed above.

Option 3 (Horowhenua-specific guidance) would be available for all residential scenarios, with the option for the practitioner to adopt Option 1 or 2 if preferred. This approach extends the use of the simplified screening criteria to larger residential developments. Therefore, the benefits in terms of upfront savings in time and costs for engineering assessment are extended to a larger number of properties. However, the associated risks relating to adopted foundations being more or less robust than required are also extended to a larger number of properties.

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5 HDC preferred approach

Following discussion between HDC and T+T on 16 and 22 March 2022 regarding the options discussed within this report, HDC selected Policy C (refer Section 4.3) as their preferred risk-based approach for liquefaction assessment.

Further guidance regarding a simplified liquefaction screening assessment (Option 3) to assist in Building Consent applications is provided in Appendix A.

As discussed within Sections 4.2 and 4.3, this simplified screening approach results in upfront cost savings by reducing the need for deep ground investigations and specialist geotechnical engineering input. However, this is offset against the potentially reduced accuracy. In some cases the adopted foundation may be more robust than required to meet minimum Building Code requirements (incurring higher up-front construction costs), or in some cases the adopted foundation may be less robust than required (with potential for increased damage if/when/where an earthquake occurs in the future).

6 Future opportunities to reduce uncertainties

The 2020 liquefaction assessment¹ mapped only the ten identified future growth areas, and because of limited available geotechnical investigations and groundwater information it was only able to achieve a level of detail of **Level A (Basic Desktop Assessment)**. This means there is substantial residual uncertainty regarding liquefaction-related risk across the mapped areas, which limits the accuracy and applicability of simplified screening criteria. In the unmapped areas, there is no information at all about liquefaction, so it is not possible to provide simplified screening criteria.

To help reduce these uncertainties, HDC may wish to consider the following opportunities:

- For the currently unmapped areas, a region-wide **Level A (Basic Desktop Assessment)** could be undertaken to provide initial information about liquefaction vulnerability. Because of the lack of ground investigation and groundwater data, this assessment would need to be primarily based on regional geologic and geomorphic mapping. In some cases, this basic understanding of potential ground conditions might allow simplified screening criteria to be developed, similar to the approach outlined in Appendix A.
- For the identified future growth areas, targeted ground investigations and groundwater monitoring could be undertaken to help better understand the key uncertainties, enabling a **Level B (Calibrated Desktop Assessment)**. A potential focus of this work could be to identify areas where liquefaction vulnerability was likely to be no more than **Medium**, providing greater confidence that a TC2-type foundation could be adopted without the need for additional assessment (simplifying the building consent process for both council and applicants).

7 Document status and limitations

This report is intended to assist parties to comply with their obligations under the Building Act 2004 and the Resource Management Act 1991. It is not mandatory to follow this guidance, but if followed:

- It does not relieve any person of the obligation to consider any matter to which that information relates according to the circumstance of the particular case.
- The consent authority may have regard to the guidance but is not bound to accept the guidance as demonstrating compliance.
- All users should satisfy themselves to the applicability of the content and should not act on the basis of any matter contained in this document without considering, and if necessary, taking appropriate professional advice.

This report has been prepared for the exclusive use of our client Horowhenua District Council, with respect to the particular brief given to us and it may not be relied upon in other contexts or for any other purpose, or by any person other than our client, without prior written agreement. We understand and agree that this report will inform general guidance about liquefaction assessment provided by Horowhenua District Council to consent applicants and their designers, on the basis that any use or reliance on this guidance is at the party's sole risk.

While T+T has taken care in preparing this document, it is only a guide and professional judgement is required for each site. T+T is not liable for any reliance on this guidance. The responsibility for specific engineering design and construction review for land development and building works remains with the designers of the works.

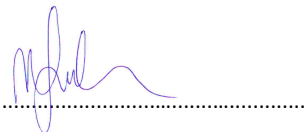
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Appendix A: Liquefaction vulnerability guidance for Horowhenua District

Liquefaction vulnerability screening tool / flow diagrams

For each of the broad liquefaction vulnerability categories mapped across Horowhenua District, the attached flow chart provides a framework for liquefaction assessment to enable hazard screening for Building Consent applications for routine individual building projects (primarily residential-style buildings). It is emphasised that these screening criteria have been developed specifically in relation to the local context, so these screening criteria may not be applicable in other locations. Some factors of particular relevance are summarised in Table A.1, to provide an overview of how these considerations have influenced the development of the screening criteria.

Table A.1: Local context most relevant to development of liquefaction screening criteria for Horowhenua District

Local context	How this has influenced the screening criteria
A lack of subsurface geotechnical investigations and groundwater monitoring across the district.	A focus on confirming soil types and groundwater levels at each individual site.
There is a relatively small amount of new building activity in the district, and much of this is small-scale/in-fill and spread out over a large geographical area.	This means that there is a lower density of capital/social investment and lower total exposure to a single event, so a lower level of risk (refer risk matrices in Tables 3.5 to 3.7 of MBIE/MfE 2017 guidance).
Much of the site investigation and building design in the district is currently undertaken by general civil/structural practitioners, following B1/AS1 and NZS3604:2011.	Use the same types of shallow soil testing that have traditionally been used to confirm “good ground”, but with enhancements to also allow simplified liquefaction screening. Structure the screening criteria around factors which can reasonably be assessed by general practitioners without specialist geotechnical expertise. Clearly flag the types of situations where specialist geotechnical engineering input is required.
If a specialist geotechnical engineer or deep geotechnical testing is required, these often need to be brought in from elsewhere around the country – so this poses some logistical and cost challenges. However, the district is relatively easily accessed so this is unlikely to add excessive expense for medium to larger sized projects.	It is not unreasonable to expect specialist geotechnical input for medium to larger projects, where the risk profile is greater and the project budget is better able to accommodate costs by sharing across multiple buildings. For smaller projects, more careful thought may be required to strike a pragmatic balance between cost and benefit of specialist geotechnical input. Where specialised geotechnical testing and assessment is undertaken, this should be collated by council and the factual data made available on the NZ Geotechnical Database to help inform future developments in the area.

Table A.1 (continued):

Local context	How this has influenced the screening criteria
Areas mapped as <i>Liquefaction Category is Undetermined</i>	In these areas there is insufficient information available to determine the liquefaction vulnerability. Some areas within this category have a higher potential for liquefaction-induced ground damage due to the lower ground elevations and therefore closer proximity to the groundwater table and/or loose soils identified in shallow investigations. Furthermore, there are paleo channels throughout the region expected, which results in variable ground conditions over relatively short distances. This means unfavourable ground conditions are more likely in lower elevation areas while more favourable ground conditions are possible in higher elevation areas.
The district is within an area of relatively high seismic hazard (e.g., a 500-year design ground acceleration of 0.55g) [*] .	Where susceptible soils are present, consequential liquefaction-induced ground damage could occur at relatively frequent levels of design shaking (e.g. as low as 25-to-100-year return period). This means it is especially important for site-specific subsoil and groundwater assessment to identify where significant thickness of liquefiable soils are present at shallow depth.
The next time the District Plan is reviewed this will provide an opportunity to manage liquefaction-related risk proactively through land use planning. In the meantime, the recent Building Code change regarding “good ground” means this risk will be managed predominantly through the Building Consent process.	This guidance note focusses on managing liquefaction-related risk for individual building projects through the Building Consent process. For larger-scale developments (e.g. larger than 4 lots as outlined in Table 3.6 of the MBIE/MfE 2017 guidance) it is likely a Resource Consent will first be required, providing an opportunity to manage risk through that process (refer Section 6.7.2 of MBIE/MfE 2017 guidance).

^{*} MBIE Module 1 November 2021 Update has provided a revised calculation for design ground acceleration that has resulted in higher PGAs than quoted in the HDC liquefaction vulnerability assessments^{1,2}.

Site assessment for simplified liquefaction screening

To assess the screening criteria outlined in the attached flowchart, various techniques may be utilised. Examples of potential site assessment and ground investigation options are discussed below. Other investigations may be required to assess other aspects of the site (e.g., the presence of compressible/expansive soils, uncontrolled fill or slope instability) and the person assessing the site and specifying the foundation solution will need to undertake their own assessment for these factors.

Lateral spread assessment: This could be undertaken based on a desktop study (including air photos, and ground elevation contours/LiDAR) but should be calibrated by a site visit and visual assessment of the site and its surrounds, noting any channels or free faces present in the vicinity of the site.

Groundwater assessment: This assessment may be undertaken using either direct investigation methods (such as hand augers, machine augers or testpit excavation to 3 to 4 m depth), or by comparison with known, nearby sources of groundwater data such as nearby waterbodies with known water levels, or nearby investigations such as boreholes or excavations where groundwater was recorded. Seasonal groundwater fluctuations should be considered.

Soil conditions: The investigation of shallow soil conditions should generally follow the procedures outlined in NZS3604:2011 but it is recommended that where practical, hand augers for the

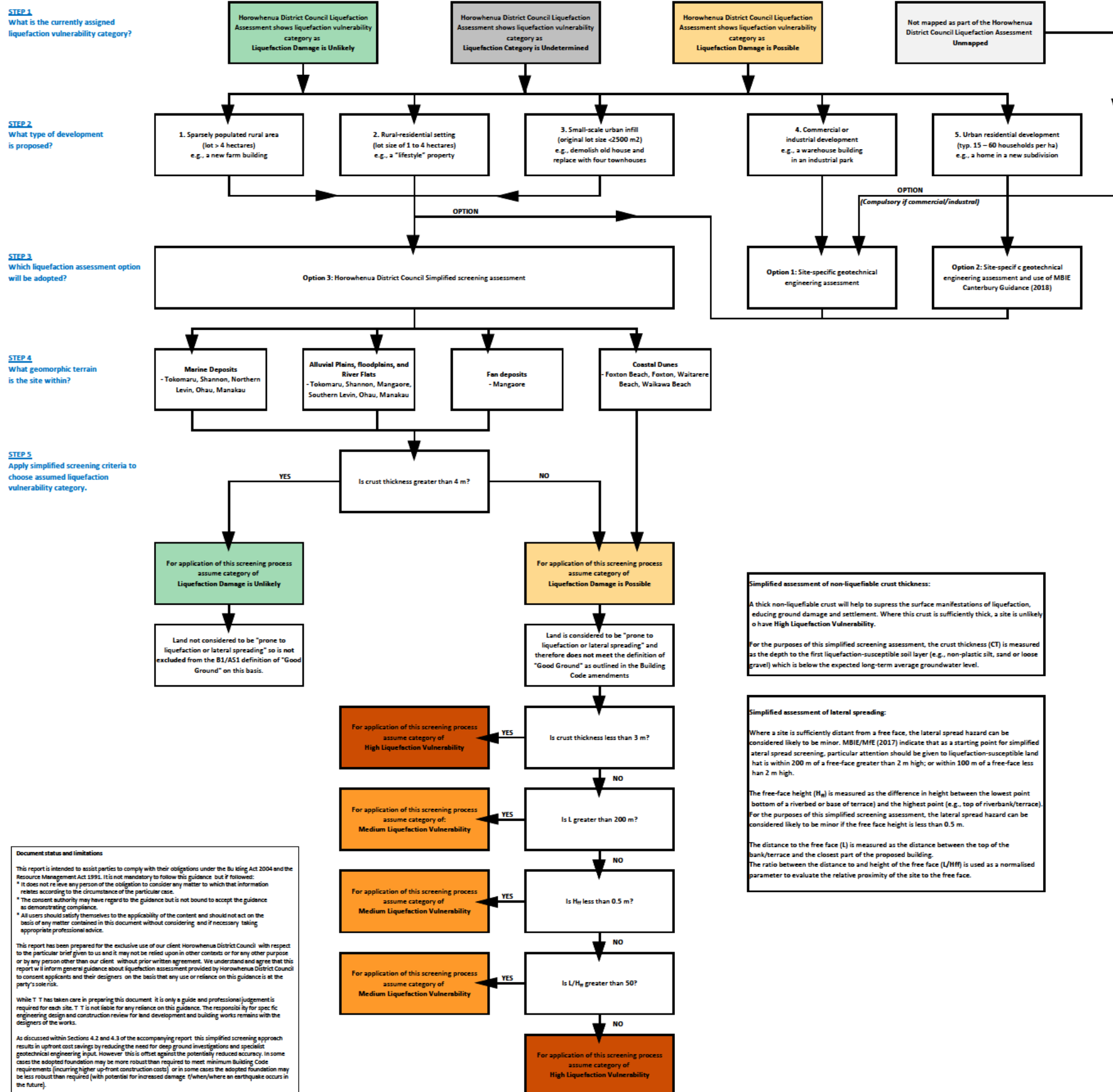
examination of soil materials extend to between 3 and 4 m below ground level. Alternatively, test pits, boreholes or Cone Penetration Tests (CPT) may be used to assess soil conditions. Where sufficient nearby data is available to demonstrate ground conditions, this may also be relied upon, in conjunction with investigations on the site in question. Soils should be logged in accordance with the NZGS field guide for description of soil and rock⁶.

We note that very little data exists in the New Zealand Geotechnical Database (NZGD) for the Horowhenua District. Advocating the uploading of geotechnical investigations onto the NZGD as part of the process of evaluating resource and building consent applications would progressively increase the amount of geotechnical data available. This would inform future investigations, allow refinement of existing liquefaction hazard mapping and provide valuable information to support future land-use planning and site assessments.

⁶ [Field description of soil and rock – field sheet – New Zealand Geotechnical Society \(nzgs.org\)](#) accessed 29 November 2021

Simplified liquefaction vulnerability screening tool for Horowhenua District

This flow chart must be read alongside the May-2022 report "Options for Liquefaction Assessment for Resource and Building Consent" prepared by Tonkin + Taylor for Horowhenua District Council



Document status and limitations

This report is intended to assist parties to comply with their obligations under the Building Act 2004 and the Resource Management Act 1991. It is not mandatory to follow this guidance, but if followed:

- * It does not relieve any person of the obligation to consider any matter to which their information relates according to the circumstance of the particular case.
- * The consent authority may have regard to the guidance but is not bound to accept the guidance as demonstrating compliance.
- * All users should satisfy themselves to the applicability of the content and should not act on the basis of any matter contained in this document without considering, and if necessary taking appropriate professional advice.

This report has been prepared for the exclusive use of our client Horowhenua District Council, with respect to the particular brief given to us and it may not be relied upon in other contexts or for any other purpose or by any person other than our client, without prior written agreement. We understand and agree that this report will inform general guidance about liquefaction assessment provided by Horowhenua District Council to consent applicants and their designers, on the basis that any use or reliance on this guidance is at the party's sole risk.

While T + T has taken care in preparing this document, it is only a guide and professional judgement is required for each site. T + T is not liable for any reliance on this guidance. The responsibility for specific engineering design and construction review for land development and building works remains with the designers of the works.

As discussed within Sections 4.2 and 4.3 of the accompanying report, this simplified screening approach results in upfront cost savings by reducing the need for deep ground investigations and specialist geotechnical engineering input. However, this is offset against the potentially reduced accuracy. In some cases the adopted foundation may be more robust than required to meet minimum Building Code requirements (incurring higher up-front construction costs) or in some cases the adopted foundation may be less robust than required (with potential for increased damage, if/when/where an earthquake occurs in the future).

Simplified assessment of non-liquefiable crust thickness:

A thick non-liquefiable crust will help to suppress the surface manifestations of liquefaction, reducing ground damage and settlement. Where this crust is sufficiently thick, a site is unlikely to have High Liquefaction Vulnerability.

For the purposes of this simplified screening assessment, the crust thickness (CT) is measured as the depth to the first liquefaction-susceptible soil layer (e.g., non-plastic silt, sand or loose gravel) which is below the expected long-term average groundwater level.

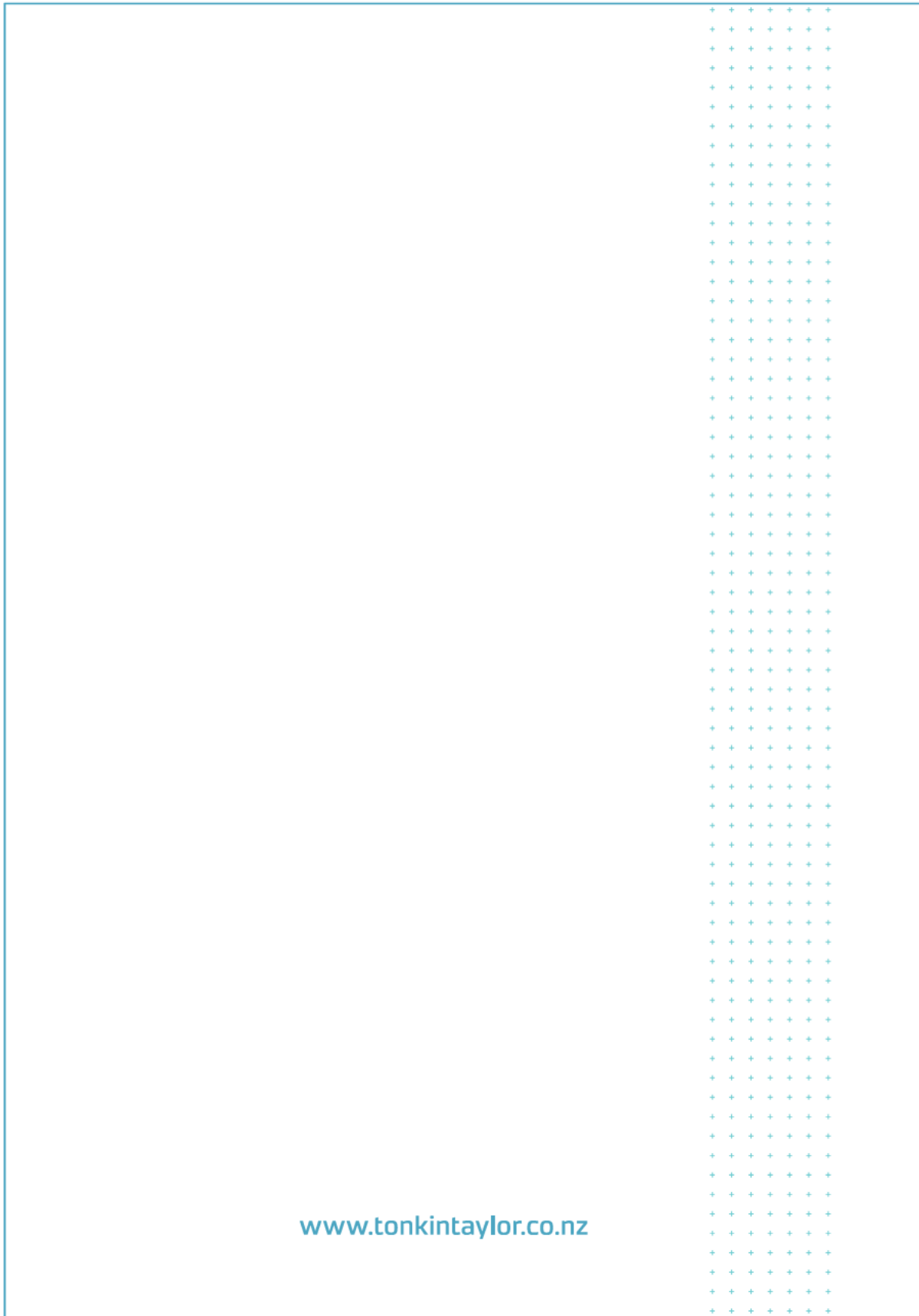
Simplified assessment of lateral spreading:

Where a site is sufficiently distant from a free face, the lateral spread hazard can be considered likely to be minor. MBIE/MFE (2017) indicate that as a starting point for simplified lateral spread screening, particular attention should be given to liquefaction-susceptible land that is within 200 m of a free-face greater than 2 m high; or within 100 m of a free-face less than 2 m high.

The free-face height (H_f) is measured as the difference in height between the lowest point (bottom of a riverbed or base of terrace) and the highest point (e.g., top of riverbank/terrace). For the purposes of this simplified screening assessment, the lateral spread hazard can be considered likely to be minor if the free face height is less than 0.5 m.

The distance to the free face (L) is measured as the distance between the top of the bank/terrace and the closest part of the proposed building.

The ratio between the distance to and height of the free face (L/H_f) is used as a normalised parameter to evaluate the relative proximity of the site to the free face.



CURRENT EXCEPTIONS TO REQUIREMENT FOR LIQUEFACTION ASSESSMENTS

Currently we do not require liquefaction assessments for the following types of developments:

- Buildings being built in a yard for relocation to another site
- Non-habitable sheds / garages up to 100m² or where SED to ULS for a 1/100 year event
- Pole sheds constructed in an area that is zoned rural or where SED to ULS for a 1/100 year event
- Pole sheds up to 100m² in an area that is zoned as commercial, Industrial, residential or greenbelt residential or where SED to ULS for a 1/100 year event
- Habitable outbuildings such as sleepouts with a maximum floor area of 30m²
- Extensions to the ground floor area of existing buildings where the proposed floor area of the extension is less than 50m²

The limitations to these exceptions are:

- Where the liquefaction category for the property is identified as high risk (in which case the MBIE Canterbury guidance applies)
- If there is a consent notice on the property title requiring that geotechnical investigation is carried out for all new buildings
- Where a proposed extension to an existing building includes the creation or extension of a 2nd or subsequent storey
- Where there is a known geological risk

File No.: 22/378

7.5 Amendments to Development Contributions Policy

1. Purpose

To present minor amendments to the Development Contributions Policy for Council to consider adopting.

2. Executive Summary

The Development Contribution Policy was adopted by Council 30 June 2021 and came into effect on 1 July 2021. Since then Council has implemented the Policy and has seen developments reach the point where they have been assessed for development contributions. In implementing the Development Contribution Policy there have been three minor amendments identified to correct inconsistencies and to support the implementation and application of the policy.

3. Recommendation

- 3.1 That Report 22/378 Amendments to Development Contributions Policy be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Policy 3.6.3.4 of the Development Contributions Policy be amended by including the following:

e) If the Council Hearings Committee is unable to consider the request for review, an independent commissioner may be appointed and delegated to hear and determine the review. The independent commissioner shall be appointed by the Chief Executive in consultation with the Hearings Committee Chair.

- 3.4 That Policy 3.6.1.2 of the Development Contributions Policy be amended to read as follows:

Where a remission or reduction is requested under 3.6.1.1 a), the Council must be satisfied that it can fund the reduction or remission from other sources and one of the following criteria can be met:

- a) The applicant/developer is a provider of affordable~~social~~ housing and proposes to sell homes to purchasers at a price below the annual district median house price; or
- b) The applicant/developer is an Incorporated Society defined under section 4(1) of the Incorporated Societies Act 1908 or a Charity defined under section 4(1) of the Charities Act 2005; and

i. the applicant/developer is not funded substantially by Central Government or any parent organisation or other party that provides it with income over and above its own sources such as donations, membership fees or income from sales and services it provides; or

ii. the development itself contributes to the health and safety or alleviates hardship, vulnerability, cruelty in the district community; or

iii. financial records show that the proposed development will not be able to proceed without a reduction or remission of development contributions; or

c) The development is a social housing development undertaken by a Community Housing Provider that is registered with the Community Housing Regulatory Authority or any other partnership where Kainga Ora or Ministry of Housing and Urban Development has entered into an agreement to provide social housing or affordable housing.

- 3.5 That 2.9.1 Table 1 of the Development Contributions Policy be amended for a selection of levies as follows:

	Current total	Amended Total
Levin	\$13,962	\$13,961
Foxton Beach	\$4,905	\$4,904
Ohau	\$7,767	\$7,766

4. Background / Previous Council Decisions

After having made the decision in 2015 to no longer require development contributions, Horowhenua District Council reintroduced development contributions through the adoption of the Development Contributions Policy (the Policy) on 30 June 2021. The Policy took effect from the next day.

The Policy has been in place and implemented for over 12 months. As different development scenarios have occurred it has provided opportunities to test how the Policy functions. There

have been a few matters identified where the Policy could benefit from an amendment to improve the clarity and application of the intent of the policy.

A full review of the Policy should still be undertaken at the appropriate time (within three years of adoption). If substantive changes are identified, these changes should be subject to a formal consultation process. It is considered prudent at this point in time to address these minor amendments identified ahead of a full review, to aid the implementation and application of the Policy.

5. Discussion

Three amendments to the Policy have been identified to improve clarity of the Policy and application.

Policy 3.6.3 Requests for Review

The current Development Contribution Policy wording states that requests for review (of a development contribution) will be considered by the Council Hearings Committee (see 3.6.3 Requests for review).

To provide some direction on how requests for review are to be considered where it may not be appropriate or possible for the Council's Hearings Committee to do so, an amendment to the Policy wording is proposed. To provide clarity the amendment would enable an independent commissioner to be appointed through consultation with the Chair of the Hearings Committee and Chief Executive and to hear and determine a request for a review of the development contribution.

The benefit of this amendment is that it would provide a clear pathway for situations where the Hearings Committee may not be able to meet within the necessary timeframes or where there may be a perceived conflict of interest. It is noted that the local government elections does have potential to see there being a period of time where Council may not have a Hearings Committee in place, until after the election, when elected members have been sworn into office and the new committee structured established.

Under the Policy the default would continue to be for reviews to be considered by the Hearings Committee, with the alternative back up option being the use of an independent commissioner.

It is proposed that the following underlined text be added to the Policy 3.6.3.4

3.6.3.4

The Council Hearings Committee will consider any request for review of a development contribution and in doing so:

- a) will, as soon as reasonably practicable, publicly notify and consider the request;
- b) will give at least five working days' notice to the applicant of the date, time and place of the hearing;
- c) may at its discretion uphold, remit, in whole or in part, or postpones (as the case may be) the original development contribution assessed;
- d) will advise the applicant in writing of the decision within ten working days of the decision being made.
- e) If the Council Hearings Committee is unable to consider the request for review, an independent commissioner may be appointed and delegated to hear and determine the review. The independent commissioner shall be appointed by the Chief Executive in consultation with the Hearings Committee Chair.

Policy 3.6.1.2 Remissions and Reductions

The amendment proposed for this policy is to add developer to applicant, so that through this policy reads 'applicant/developer'. This is to provide clarity in those situations where the applicant named on the consent application may be different to the actual developer who is the social housing provider. The amendment also seeks to provide clarity regarding affordable housing

which is the sort of housing to be typically sold to purchases at a price below the annual district median house price. Additional text is added to reference Community Housing Providers and instances where a partnership with Kainga Ora or Ministry of Housing Development is providing social or affordable housing.

The Policy would be amended to read:

3.6.1.2

Where a remission or reduction is requested under 3.6.1.1 a), the Council must be satisfied that it can fund the reduction or remission from other sources and one of the following criteria can be met:

- c) The applicant/developer is a provider of ~~affordable~~social housing and proposes to sell homes to purchasers at a price below the annual district median house price; or
- d) The applicant/developer is an Incorporated Society defined under section 4(1) of the Incorporated Societies Act 1908 or a Charity defined under section 4(1) of the Charities Act 2005; and
 - i. the applicant/developer is not funded substantially by Central Government or any parent organisation or other party that provides it with income over and above its own sources such as donations, membership fees or income from sales and services it provides; or
 - ii. the development itself contributes to the health and safety or alleviates hardship, vulnerability, cruelty in the district community; or
 - iii. financial records show that the proposed development will not be able to proceed without a reduction or remission of development contributions; or

c) The development is a social housing development undertaken by a Community Housing Provider that is registered with the Community Housing Regulatory Authority or any other partnership where Kainga Ora or Ministry of Housing and Urban Development has entered into an agreement to provide social housing or affordable housing.

2.9.1 Table 1

An administrative correction is proposed to ensure that Table 1 in 2.9.1 displaying the development contribution calculations add up across the table. The way the data is currently displayed in the tables is rounded, did not reflect the cents that sits in the data behind the table and as a result the totals are out by \$1 for Levin, Foxton Beach and Ohau. Rather than continuing to have tables in the Policy that appear out by \$1 it is proposed to amend the table to incorporate the correct totals.

It is proposed to make the following amendments to Table 1

	Current total	Amended Total
Levin	\$13,962	\$13,961
Foxton Beach	\$4,905	\$4,904
Ohau	\$7,767	\$7,766

2.9 Development contribution amounts²¹

2.9.1 **Table 1** shows the schedule of development contributions payable for each activity type in each part the of district. The amounts exclude GST.

	Land Transport		Community Infrastructure		Stormwater			Water Supply			Wastewater Treatment			TOTAL
	Tara-ika	District	Tara-ika	District	Tara-ika	Scheme	District	Tara-ika	Scheme	District	Tara-ika	Scheme	District	
Levies		\$618		\$1,247		\$152	\$386		\$3,363	\$0		\$8,195	\$0	\$13,962
Tara-ika	\$2,254	\$618		\$1,247	\$1,671	\$152	\$386	\$0	\$3,363	\$0	\$1,715	\$8,195	\$0	\$19,601
Featon		\$618		\$1,247		\$0	\$386		\$899	\$0		\$881	\$0	\$4,031
Featon Beach		\$618		\$1,247		\$92	\$386		\$1,596	\$0		\$965	\$0	\$4,905
Shannon/Mangaroa		\$618		\$1,247		\$0	\$386		\$0	\$0		\$0	\$0	\$2,251
Tokomaru		\$618		\$1,247		\$0	\$386		\$0	\$0		\$0	\$0	\$2,251
Waikare Beach		\$618		\$1,247		\$0	\$386		\$4,678	\$0		\$2,053	\$0	\$8,982
Ohau		\$618		\$1,247		\$0	\$386		\$2,726	\$0		\$2,789	\$0	\$7,767
Rural		\$618		\$1,247										\$1,865

Note 1: These contribution amounts do not include GST

Note 2: Wastewater contribution for Ohau will only apply when the service becomes available and new and some existing properties connect

Note 3: Water supply contribution for Ohau and Waikare Beach will only apply when the service becomes available and new and some existing properties connect

	2021-41 LTP					SURPLUS CAPACITY				
	TOTAL CAPITAL PROJECT COSTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES	SUBSIDIES / GRANTS	TOTAL CURRENT VALUE OF SURPLUS CAPACITY PROJECTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES	SUBSIDIES / GRANTS
Land Transport	\$ 324,218,052	\$ 12,999,966	\$ 4,678,390	\$ 116,758,399	\$ 189,781,298	\$ -	\$ -	\$ -	\$ -	\$ -
Solid Waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Community Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Infrastructure	\$ 145,815,851	\$ 14,954,387	\$ 5,869,920	\$ 124,881,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Supply	\$ 142,524,057	\$ 27,804,092	\$ 45,367,722	\$ 66,784,908	\$ 2,587,334	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater	\$ 231,187,528	\$ 52,049,649	\$ 48,266,007	\$ 125,828,334	\$ 5,026,539	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater	\$ 34,462,542	\$ 9,355,751	\$ 3,224,105	\$ 19,637,632	\$ 2,245,054	\$ -	\$ -	\$ -	\$ -	\$ -
Other Activities	\$ 69,931,008	\$ -	\$ -	\$ 69,938,009	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 948,119,840	\$ 117,169,845	\$ 197,496,143	\$ 523,888,226	\$ 199,653,226	\$ -	\$ -	\$ -	\$ -	\$ -

6. Options

Three amendments to the current Development Contributions Policy have been proposed. Council has three options

Option 1 – Status Quo make no amendments to the Development Contributions Policy

Option 2 – Adopt the proposed amendments to the Development Contribution Policy

Option 3 – Defer making the decision on the proposed amendments to the Development Contribution Policy and provide direction to the officers on additional information or process steps that are needed to enable Council to make a decision.

Officers consider the amendments to be minor in nature and necessary to provide clarity to support the implementation of the existing Policy. Officers recommend Option 2.

6.1 Cost

There are no cost implications directly resulting from the proposed amendments.

6.1.1 Rate Impact

There will be no Rate impacts arising from the proposed amendments.

6.2 Community Wellbeing

There are no negative impacts on Community Wellbeing arising.

6.3 Consenting Issues

There are no consenting issues.

6.4 LTP Integration

There are no LTP programme related considerations in relation to the amendments proposed.

7. Consultation

No formal consultation has been undertaken regarding these three proposed amendments. The minor administrative nature of the three changes, being to essentially provide added clarity and avoid a situation where a review has no pathway for being considered.

The changes are not considered material or significant and do not change the overall intent and purpose of the Policy.

8. Legal Considerations

There are no specific legal considerations relating to the proposed amendments. From a procedural point of view, the reasons regarding why it was not considered necessary to consult using the special consultative process on these amendments is outlined above.

9. Financial Considerations

There are no specific financial considerations that need to be further addressed as a result of the proposed amendments. The costs associated with the review process including using the Hearings Committee or and Independent Commissioner are passed onto the applicant.

10. Iwi Considerations

There are no specific Iwi considerations affecting the amendments proposed.

11. Climate Change Considerations

There are no specific Climate Change considerations affecting the amendments proposed.

12. Environmental Considerations

There are no specific Environmental considerations affecting the amendments proposed.

13. Health & Safety Considerations

There are no specific Health & Safety considerations affecting the amendments proposed.

14. Other Considerations

If the proposed amendments are adopted by Council it is recommended that they take immediate effect. Noting that there will be a period of time required for officers to update the Development Contribution Policy and website information to reflect the amendments made.

15. Next Steps

If the proposed amendments are adopted then officers will update the Development Contributions Policy and associated information such as the Council website.

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Legal	Amendments have been proposed without going through a consultation process on the changes and they are	Minor	Unlikely	Low	The amendments are considered minor and improve the clarity of the Policy for customers.

	challenged at a later date.				They are not considered substantive and do not change the intent. Any substantive amendments will be picked up as part of the formal review of the Policy, which will be subject to a consultation process.
Reputational	If the amendments are not adopted there will continue to be some uncertainty for customers with how the policy is to be applied, negatively impacting on the reputation of Council.	Minor	Unlikely	Low	The amendments are intended to remove this risk by improving the clarity of the Policy.


Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

16. Appendices

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Author(s)	David McCorkindale Group Manager - Customer & Strategy	
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Approved by	Monique Davidson Chief Executive Officer	
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Kaupapahere mō te Utu Whakawhanake 2021

Development Contributions Policy 2021



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Horowhenua District Development Contributions Policy – 2021-2041

Part 1 – Introduction, policy decisions and practical application

This development contributions policy is in two parts. **Part 1** gives context to the policy and sets out the decisions the Council has taken in making the policy. It then describes the steps to be followed when applying the policy to development applications.

Part 2 is a separate document setting out the legislative matters the Council has had to consider, the method of calculating the contributions, significant assumptions, and other supporting material.

This policy is operative from 1 July 2021, and is based on capital expenditure proposed in the Long Term Plan 2021-41. It takes direction from Council's Revenue and Financing Policy on which activities are to be funded by development contributions. The various sections of the policy cover:

- **Section 1** - the purpose of the policy, the growth and infrastructure context and a comparison between development contributions and other sources of funding.
- **Section 2** - the decisions the Council has taken in making this policy.
- **Section 3** - the way the policy will be applied in practice.
- **Section 4** – the legislative matters the Council has considered.
- **Section 5** – the way in which development contributions are calculated.

Section 1 - Introduction

1.1 Purpose

1.1.1 The Horowhenua Development Contributions Policy 2021-2041 is made under the Local Government Act 2002 (the Act). The Council has to manage its financial dealings prudently and in the current and future interests of the community¹. In doing so, it must be sure about the sources and levels of funding it will use for the activities it carries out². There are various funding sources available to the Council. To use these, it has to adopt a number of financial and funding policies, one of which is a policy on development contributions or financial contributions³.

1.1.2 The policy is based on capital expenditure proposed in the Long Term Plan 2021-2041 and is adopted as one of the source documents that will meet some of the funding needs in the long term plan.

1.1.3 The purpose of this policy is to:

- a) provide predictability and certainty to developers that the Council can give them the infrastructure they need to support their investments;

¹ Section 101(1)

² Section 102(1)

³ Section 102(2)(d)

- b) ensure developers know what they are paying for and that development is not discouraged by high infrastructure costs; and
- c) ensure the existing community is not burdened by the costs of growth, but does contribute to growth infrastructure when it provides a clear benefit to them by improving their existing levels of service, renewing aging assets or helping them meet new legislative standards.

1.2 Why have this policy?

- 1.2.1 When growth in population and business takes place, new development is carried out to accommodate it. The extra traffic, water consumption, wastewater generation and stormwater run-off from that development, all take up spare capacity in Council's infrastructure. Unless provision is made, that capacity can be used up over time and networks start to fail. Traffic congestion, low water pressure or quality, wastewater overflows and flooding can all signal a failure to keep up with growth. In some cases, parks, libraries and other public amenities can become crowded as the capacity they were designed for is used up.
- 1.2.2 To avoid this, the Council plans ahead and puts capital spending in its budgets to provide more capacity to service growth when it is needed.
- 1.2.3 While the community may welcome growth, it should not be expected to fund extra infrastructure, particularly when it is already at the right levels of service.
- 1.2.4 In New Zealand, financial and development contributions are the two main sources of growth funding available to local authorities.

1.3 Other sources of funding growth related capital spending

- 1.3.1 Financial contributions are usually used for local infrastructure directly associated with a new development – that is, within, nearby or linking it to wider public networks. Council will not normally get involved financially with this local infrastructure. It expects developers to provide it and vest it with Council once it is completed to the right standard, with no financial contribution required.
- 1.3.2 In some situations though, it may be best for Council to become financially involved. It can decide to enable development by building a piece of local infrastructure and then charging financial contributions to recover its costs. Typically, this happens where multiple developers are involved and it is not fair or practical for one developer to provide local infrastructure ahead of others who will also benefit from it. Financial contributions are a good funding source in this situation.
- 1.3.2 The Horowhenua Financial Contribution Policy (2015), was adopted at a time when little or no growth was taking place. It does not summarise the total cost of growth-related capital spending or the proportion to be funded by financial contributions. Until it is reviewed, it will not be a viable source of funding for growth.
- 1.3.4 In making this policy, the Council has considered other sources of funding, so as not to unduly burden and potentially discourage development with development contributions. These sources include:

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Development Contributions Policy – Part 1 – Adopted 30 June 2021

- a) grants and subsidies – principally Waka Kotahi NZ Transport Agency subsidies for the district’s roading activity and also Crown Infrastructure Partners (CIP) grants for supporting infrastructure for the Tara-Ika development at Levin;
- b) targeted rates payable under the Local Government (Rating) Act 2002;
- c) levies payable under the Infrastructure Funding and Financing Act 2020;
- d) user charges; and
- e) asset sales.

1.4 What are development contributions used for?

- 1.4.1 Development contributions are a good way of funding public network and bulk infrastructure that the Council has already provided, or plans to provide to support growth. Local authorities typically provide trunk sewers, water mains, wastewater and water supply treatment plants, collector and arterial roads, public transport assets, libraries, sports fields, parks and other public amenities.
- 1.4.2 These are usually of such a scale and cost that no one developer can fund them alone, even where they need them to make their development viable and marketable.
- 1.4.3 Development contributions provide the ideal funding tool to collect money from large and small-scale developments and pool them to fund ‘big ticket’ infrastructure. Even small-scale developments can, cumulatively, put pressure on our networks over time.

1.5 Development agreements

- 1.5.1 In some cases, developers may be able to build large items of public infrastructure, that Council would normally provide itself but is not yet ready to. Developers may also offer the Council land it wants to acquire for public projects.
- 1.5.2 To enable a development to go ahead, the Council can enter into a development agreement with the developer. Commitments can be made to offset development contributions or reimburse the developer directly once the infrastructure is built to standard or land is transferred to Council.

1.6 The approach to growth in our District

- 1.6.1 Horowhenua District is growing steadily and in some places strongly. The Council is responding pro-actively to this by:
 - a) adopting a 95-percentile growth projection for the long term plan;
 - b) moving to increase the supply of developable land; and
 - c) including a strong growth element in its capital spending programme.

1.7 How is our District growing?

- 1.7.1 The population of Horowhenua District remained almost constant at just on 31,000 people in the decade 2000 to 2010. In the 4 years to 2014, the District began to experience notable growth. On this basis, Long Term Plan 2015-2025 and Long Term Plan 2018-38 each projected a steepening growth curve. Long Term Plan 2018-2038 projected annual growth of 1.2% and 1.1% respectively in each of the next two decades. In fact, growth since 2018 has exceeded projections, running at an average 2% per annum. Sense Partners⁴ projects the resident population to grow from 36,708 in 2019 to 62,716 in 2041 in the range 2.6-2.8% per annum. This population growth is expected to be accompanied by strong dwelling growth.
- 1.7.2 There is some uncertainty around business growth⁵ in the District as a result of the pandemic but the positive effects on the construction and service sectors, as a result of strong in-migration, may assist the economic recovery.
- 1.7.3 To account for any slowdown in business activity a lower business growth rate has been built into the policy in the first three years of the long term plan. After 2024, the policy assumes business growth keeping pace with the strong population and dwelling growth expected. This assumption will be reviewed over the next 3 years.
- 1.7.4 In general, the growth outlook is positive for Horowhenua with factors such as the influence of Wellington and increasingly strong transport links to the capital at play. However, there is a degree of uncertainty around long-term sustained growth. Growth projections supporting this policy need to be constantly monitored and the timing and scale of development-related capital expenditure moderated accordingly.

1.8 The infrastructure response

- 1.8.1 In response to the strong growth outlook, a number of capital projects have been identified and costed into Long Term Plan 2021-41, to enable and support growth. These include:
- a) Major road intersection upgrades and connections in Levin in to meet expected traffic increases from the Tara-Ika growth area;
 - b) Subsidised road improvement, footpath, cycleway and shared path programmes

⁴ Sense Partners. Horowhenua Socio-Economic projections, Summary and methods, Projections update report, May 2020, p2

“Horowhenua’s strong population growth is driven by a continued substantial inflow of migrants from other parts of New Zealand. We are forecasting a net inflow of 650 domestic migrants per year over the next 10 years. This is a substantial upward revision, from 270 migrants per year in our 2019 forecasts.” Sense Partners puts this down to a combination of factors including:

- *“improved accessibility from the expressways have been built to the south of the District*
- *Increased costs of living, especially house price inflation, in most urban centres including Palmerston North and Wellington.”*

- across the district, increasing the capacity of the existing network to deal with traffic growth, as well as extending it into new growth areas;
- c) Forward-looking strategic wastewater treatment plant upgrade or effluent disposal option projects, in expectation of growth at Foxton/Foxton Beach, Waitarere Beach, Tokomaru and Levin (including those dealing with the increasing wastewater volumes generated by Tara-Ika);
 - d) Specific large-scale capital expenditure on the Tara-Ika wastewater trunk network in the early years of the long term plan to enable the development to go ahead;
 - e) Growth-related reticulation upgrades in Levin itself and for the Levin north east growth area;
 - f) Wastewater plant and reticulation renewal⁶ programmes across the district, that are expected to include additional capacity to cater for growth;
 - g) Water treatment plant and reticulation renewals across the district, expected to include additional capacity for growth;
 - h) Specific Levin water supply capital projects to deal with growth (infill and new areas) with specific funding in Year 2 of the long term plan to extend trunk reticulation into Tara-Ika to enable it to proceed;
 - i) A major project to secure and implement an alternative water source for Levin to deal with existing level of service issues but also to serve growth into the future;
 - j) A project to deal with stormwater from the Levin north east growth area to enable it to develop;
 - k) An on-going district-wide programme of reserve improvements and play equipment installation, as demand from growth requires more facilities;
 - l) Specific provision for Tara-Ika reserve acquisition as development gets underway;
 - m) Staged aquatic centre redevelopments with increased capacity provided for growth during redevelopment;
- 1.8.2 The Central/Local Government Three Waters Reform Programme, announced in 2020, will change the way three waters capital projects are delivered to the community in future. This could affect the timing and scope of a number of the projects above. The expectation is that any new entities will still deliver the assets needed to support the growth of Horowhenua District.

1.9 Policy review

- 1.9.1 In keeping with section 106(6) of the Act, this policy must be reviewed at least once every 3 years. The Council will closely monitor growth and capital spending for growth⁷ and may review this policy as part of its annual plan process in any year prior to the 3-year review if it considers it necessary to do so.

The report notes that the results of the 2018 Census warrant the further upward revision of Horowhenua's population projections.

⁵ Sense Partners p3 predicts "a sharp, but reasonably short-lived economic shock, based on the New Zealand Treasury's Budget Economic and Fiscal Update (May 2020)" with rising national unemployment, recovering again from mid-2021 and falling GDP recovering from 2022.

⁶ Infill development is starting to put pressure on networks and in carrying out renewal projects, the Council will take the opportunity to add capacity to the networks to cope with growth.

⁷ Monitoring will be carried out in accordance with the Council's regular financial monitoring process.

Section 2 - Policy decisions

2.1 Requiring contributions for 'development'

- 2.1.1 The Council, using its powers under the Act⁸ has decided that it may require development contributions at the times set out⁹ for activities it undertakes in the geographic areas described in this policy. It will only do this when 'development'¹⁰, as defined in the Act, takes place. Development is any activity that generates demand for reserves, network infrastructure or community infrastructure. In so doing it requires new or additional assets, or assets of increased capacity, and causes the Council to incur capital expenditure. Once it collects contributions, the Council will use them for the purposes specified, in the areas collected¹¹.
- 2.1.2 Before assessing and requiring a development contribution, under **Section 3**, the Council will apply a test to ensure the activity for which a consent or authorisation has been applied for, meets the definition of 'development'.
- 2.1.3 The Council has decided that it will not seek development contributions for any existing lots or development already legally established on the site. It will deem all existing lots and development to have paid a contribution. It will not require the applicant to show that a development contribution, financial contribution or any other capital charge has been paid in the past.
- 2.1.4 When calculating a development contribution, the Council will assess the extent of lots or development on completion of the development and deduct the extent of lots or development existing when granting the consent or authorisation for a service connection.
- 2.1.5 This allowance is still subject to conditions set out in **Section 3**.

2.2 Activities

- 2.2.1 The Council has met its obligations under the Act¹² when making its Revenue and Financing Policy and has determined that development contributions are an appropriate source of funding to meet the growth-related component of capital expenditure on the following activities:
- a) Roading;
 - b) Water supply;
 - c) Wastewater treatment;
 - d) Stormwater management;
 - e) Community infrastructure activities including, libraries, swimming pools, events centres, sports fields, recreation reserves and public toilets.

⁸ Section 199(1)

⁹ Section 198 and section 200(4)

¹⁰ Section 197(1)

¹¹ Section 197AB(1)(d)

¹² Section 101(3)(a) and (b)

- 2.2.2 Once a review of the solid waste management activity has been completed, the Council may consider the use of development contributions to fund this activity and possibly other activities supporting growth.
- 2.2.3 Unless identified reserves, open spaces and accessways are listed in the long term plan, as part of the community infrastructure activity, the Council will not require a blanket development contribution for reserves under this policy.
- 2.2.4 It may review this position and signal an approach to reserve acquisition and rationalisation. In the interim it will focus on reserve land identified in the long term plan or rely on developers to provide smaller local reserves as conditions of resource consent.
- 2.2.5 The Council is aware of other sources of funding for growth-related capital spending. It will not look to replace development contributions with those sources, but will factor those other sources into the development contribution calculation on a project-by-project basis. Where appropriate and where the amounts are known, it will reduce development contribution amounts.
- 2.2.6 In particular the Council will look to using special purpose vehicle (SPV) levy orders, targeted rates, asset sales, subsidies and grants to avoid the dependence on development contributions as the sole source of growth capital funding.

2.3 Catchments

- 2.3.1 The Council has considered the geographic distribution of growth-related capital expenditure in the district and the grouping of developments¹³ into catchments. It has determined to:
 - a) minimise the use of district-wide catchments for the recovery of development contributions, but to still use district-wide catchments for:
 - i. roading and for community infrastructure activities serving the whole District;
 - ii. non-specific programme funding for water supply, wastewater treatment and stormwater management assets that can be directed to any area in the district in response to development initiatives;
 - b) use scheme-by-scheme¹⁴ water supply, wastewater treatment and stormwater management catchments because it considers it unreasonable to transfer costs between schemes where significant differentials in cost exist;
 - c) use additional catchments in major growth areas, where significant capital expenditure is proposed that is not expected to benefit the wider community.
- 2.3.2 In the case of water supply and wastewater treatment, the Council may review its position and use larger combined catchments where development contributions between schemes are similar. Development contributions will be payable only where the service is available

¹³ Section 197AB(1)(g)

¹⁴ The Central/Local Government Three Waters Reform Programme may, in due course, see scheme based catchments replaced with district-wide or sub-regional charges with common charges applying across them.

and only by those new households, businesses or other developments connecting to the networks concerned or with the ability to connect to the network.

2.3.3 The catchments used in this policy are summarised in **Appendix B**.

2.4 Limitations on costs included

2.4.1 The Council will ensure that any project going forward for inclusion in the development contribution meets the 'test' under section 197(AB(a) of the Act, that additional capacity has or will be provided by the project and as a result, Council has or will incur capital spending..

2.4.2 This policy and the methodology to calculate contributions ensures that a development contribution for a reserve, network infrastructure, or community infrastructure will exclude any funding for the same purpose provided by the developer, by a development contribution already required or by a third party.¹⁵

2.5 Asset capacity provided in the past

2.5.1 Under the Act,¹⁶ the Council can require development contributions for any surplus capacity provided in the past in anticipation of development. It recognises however that many assets provided in the past, in a time of slow or no growth, were not expressly provided with development in mind. It will not seek to recover any part of the costs of those assets through development contributions. It will reconsider this position in the next review of this policy by which time assets provided between 2021 to 2024, in anticipation of development, will have spare capacity for the future.

2.6 Period of benefits

2.6.1 The Council considers that capital expenditure on infrastructure during the long term plan period should be recovered over the full take-up period of each asset, from all development that created the need for that expenditure or will benefit from capacity it provides, including development occurring after the long term plan period¹⁷.

2.6.2 The Council has determined that:

- a) new development occurring in the long term plan period will contribute only to that proportion of additional asset capacity that it is expected to consume;
- b) future development occurring after the long term plan period will contribute toward the remaining surplus capacity in assets at the end of that period.

2.6.3 In keeping with its policy to exclude the value projects provided in past years, the Council will set a start date for the period of benefits of 1 July 2021.

2.6.4 The Council has also decided to include capital expenditure on a number of assets that will be built after the 20 year period covered by the long term plan¹⁸. These are identified in the Schedule of Assets in **Appendix 5**.

¹⁵ Section 200(1)

¹⁶ Section 199(2)

¹⁷ Section 197AB(1)(b) and Schedule 13

¹⁸ Schedule 13 1(2)

2.6.5 Following these considerations, the Council has decided to use a *development contributions calculation period* extending from 1 July 2021 to 30 June 2051 – 30 years after the adoption of this policy to ensure more equitable attribution under the Act. This future outlook is to take account of major infrastructure projects in the current long term plan period that may retain spare capacity for up to 30 years.

2.7 Cost allocation¹⁹

2.7.1 With its capital projects for the next 20 years listed in the long term plan, the Council has identified:

- a) projects that are needed to meet the needs of the existing community to improve its levels of service, meet newly legislated standards or renew aging assets;
- b) capital projects that will service both new development and the existing community; and
- c) capital projects that will be done purely to meet the demands of new development.

2.7.2 The Council has decided that only projects with a clear connection to growth, will go forward for possible funding by development contributions.

2.7.3 Each project's cost is shared between those parties *causing* the project to be undertaken and those *benefitting* from the projects. In some cases while growth may *cause* a project to be carried out, the existing community may also *benefit* from it in some way. In other cases the existing community may *cause* a project to be built to replace an old asset but, in doing the project, new development can *benefit* from any additional capacity provided.

2.7.4 The Council will:

- a) work out the share of cost that will serve new development. This is commonly called the 'growth cost' or 'additional capacity (AC) cost', the balance to be funded by the existing community, by subsidies or other sources;
- b) share the 'growth cost' among all development expected in the next 10, 20 or 30 years, depending on the 'capacity life' of the project; and
- c) work out a cost that each unit of development projected in coming years needs to meet by way of a development contribution.

2.8 Interest and inflation

2.8.1 The Council has decided²⁰ to include:

- a) provision for inflation in the development contribution amounts; and
- b) provision for interest on capital spending on projects in the long term plan, to be recovered through those contributions.

¹⁹ Section 197AB(1)(c)

²⁰ Section 197AA

2.8.2 This policy and the supporting development contributions calculation methodology, takes account of the fact that a number of projects will be funded in part by interest free loans negotiated as part of the Council's arrangements with Crown Infrastructure Partners (CIP).

2.9 Development contribution amounts²¹

2.9.1 **Table 1** shows the schedule of development contributions payable for each activity type in each part the of district. The amounts exclude GST.

	Land Transport		Community Infrastructure		Stormwater			Water Supply			Wastewater Treatment			TOTAL
	Tara Ika	District	Tara Ika	District	Tara Ika	Scheme	District	Tara Ika	Scheme	District	Tara Ika	Scheme	District	
Levitt		\$618		\$1,247			\$152	\$388			\$3,383		\$0	\$13,962
Levitt Waikare	\$2,254	\$618		\$1,247	\$1,071		\$152	\$388	\$0		\$3,383	\$0	\$1,715	\$19,604
Foston		\$618		\$1,247			\$0	\$388			\$899		\$881	\$4,031
Foston Beach		\$618		\$1,247			\$92	\$388			\$1,596		\$885	\$4,905
Shannon/Mangaroa		\$618		\$1,247			\$0	\$388			\$0		\$0	\$2,251
Okomaru		\$618		\$1,247			\$0	\$388			\$0		\$0	\$2,251
Waitare Beach		\$618		\$1,247			\$0	\$388			\$4,678		\$2,053	\$8,982
Ohau		\$618		\$1,247			\$0	\$388			\$2,728		\$2,789	\$7,767
Rural		\$618		\$1,247										\$1,865

Note 1 These contribution amounts do not include GST

Note 2 Wastewater contribution for Ohau will only apply when the service becomes available and new and some existing properties connect.

Note 3 Water supply contribution for Ohau and Waitare Beach will only apply when the service becomes available and new and some existing properties connect.

TABLE 2 - CAPITAL EXPENDITURE IDENTIFIED TO MEET INCREASED DEMAND RESULTING FROM GROWTH AND SOURCES OF FUNDING BY ACTIVITY

	2021 A/L P					SURPLUS CAPACITY				
	O/L CAPITAL PROJECTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES	SUBSIDIES / GRANTS	TOTAL CURRENT VALUE OF SURPLUS CAPACITY PROJECTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES	SUBSIDIES / GRANTS
Land Transport	\$ 334,218,052	\$ 12,999,958	\$ 4,678,390	\$ 119,758,399	\$ 189,781,298	\$ -	\$ -	\$ -	\$ -	\$ -
Solid Waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Community Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Infrastructure	\$ 145,815,851	\$ 14,954,387	\$ 5,889,920	\$ 124,991,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Supply	\$ 142,524,057	\$ 27,804,092	\$ 45,397,722	\$ 88,764,908	\$ 2,587,334	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater	\$ 231,187,528	\$ 52,048,540	\$ 48,299,007	\$ 125,828,334	\$ 5,026,539	\$ -	\$ -	\$ -	\$ -	\$ -
Roamwater	\$ 34,482,542	\$ 9,355,751	\$ 3,224,105	\$ 19,837,832	\$ 2,245,054	\$ -	\$ -	\$ -	\$ -	\$ -
Other Activities	\$ 89,931,009	\$ -	\$ -	\$ 89,931,009	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 948,118,049	\$ 117,188,846	\$ 107,498,143	\$ 628,888,828	\$ 198,888,228	\$ -	\$ -	\$ -	\$ -	\$ -

2.9.2 **Table 1** shows water supply and/or wastewater development contribution amounts for areas without one or both services (Ohau and Waitare Beach), although capital spending is planned in the future to enable connection. Development contributions will only apply when the service becomes available and new and existing properties start to connect.

2.9.3 **Table 2** of this policy summarises growth-related capital expenditure that Council expects to incur and the proportion of that expenditure to be funded from various sources including development contributions.

2.10 Units of demand

2.10.1 The Council has considered a range of development types that it expects to see in the district.

2.10.2 It has determined that units of demand generated by different land use types will be those shown in **Table 3** of this policy. **Table 3** shows the demand expected from a range of different residential types, including demand expected from accommodation units and the retirement sector²².

²¹ Section 197AB(1)(e) and (f), section 201, section 202

²² Schedule 13 2

- 2.10.3 The different *units of demand* generated by a unit of commercial or industrial activity, as compared with a unit of residential activity, arise mainly from the scale and nature of activity. This Policy uses *gross business area* in the case of business development as a proxy for assessing the different *units of demand* on services, likely to be generated respectively by residential and business activity.
- 2.10.4 The policy assumes that business activity has the potential to place greater demands on services as compared to residential activity, (e.g. as a result of higher and heavier traffic volumes and larger *impervious areas*). This policy incorporates multipliers (*unit of demand* factors) that are intended to take account of the likely additional effect of business activity on service infrastructure.
- 2.10.5 **Table 3** does not distinguish between different types of commercial and industrial development. This is based on the principle that the active business area or impervious area (for stormwater) of any business development will, in most cases, reflect the demand it is expected to place on infrastructure. Once a development contribution is paid, no further contribution will be required, if the nature of business activity changes over time. If further development occurs on the site however, another contribution may be required.
- 2.10.6 Although this policy does not distinguish between business types in **Table 3**, to comply with the Act, the Council will allow applicants to have their developments assessed by **special assessment**.
- 2.10.7 **Table 3** lists certain activities that fall outside the definition of ‘development’ in the Act. These are considered not to generate any demand on one or more infrastructure types.
- 2.10.8 **Table 3** also allows the demand from activities not specifically listed in **Table 3** to be dealt with by **special assessment**. The Council accepts that some activities listed in Table 3, by virtue of type of activity or measures provided on the site, may cause less demand on Council infrastructure, while still benefitting from the wider networks around them.

2.11 [When are development contributions assessed and invoiced?](#)

- 2.11.1 Developers can be made to pay development contributions at times allowed for in the Act²³ when granting different types of consent. The Council recognises that it can be some time between consenting and development being completed and able to generate income. The Council has decided to delay some contribution payment timings closer to the point when a development generates revenue.
- 2.11.2 The Council’s policy is to issue an **assessment** of development contributions at the times allowed by the Act, in the case of:
- a) a resource consent for land use, when granting the consent;
 - b) in the case of a service connection, at the time of granting an authorisation of a service connection; and

²³ Section 198(1)(a), (b) and (c) and section 198(4A)

- c) in the case of a certificate of acceptance, at the time of granting the certificate (but only if a development contribution would have been required had a building consent been granted for the same building work in respect of which the certificate is granted);

and issue an **invoice** for development contributions 14 working days after granting these consents, authorisations or certificates.

2.11.3 The Council's policy is to issue an **assessment** of development contributions when granting a subdivision consent or building consent and issue an **invoice**, in the case of:

- a) a subdivision consent, at the time of receiving an application for a certificate under section 224(c) of the Resource Management Act 1991; and
- b) a building consent, at the time the first building inspection is carried out.

2.11.4 These times of payment may be postponed in accordance with conditions and criteria in **Section 3**.

2.11.5 Regardless of when it requires a development contribution, the contribution amounts must be consistent with the policy in force at the time the application for the consent or service connection was accepted²⁴.

2.11.6 To assist with planning a development, the Council will, on request, issue an **assessment** of the development contribution payable on a proposed development when it issues a Project Information Memorandum (PIM). Conditions relating to that **assessment** are set out in **Section 3**.

2.12 Remissions, postponements and refunds

2.12.1 In addition to the rights to reconsideration and objection provided for in the Act²⁵, the Council will consider applications for remission, reduction or postponement of development contributions when it applies this policy. This will be subject to the conditions and criteria²⁶ in **Section 3**.

2.13 Development agreements

2.13.1 The Council recognises the benefits that development agreements can provide for both developers and the Council itself. To enable development, it intends to enter into agreements from time to time with developers for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in the district or any part of it.

2.13.2 In entering into a development agreement, the Council will comply with all the requirements under the Act²⁷ and ensure that:

²⁴ Section 198(2A)

²⁵ Section 199A, section 199B and section 199C

²⁶ Section 201(1)(c)

²⁷ Section 207A to section 207F

- a) all normal procurement procedures are complied with;
- b) works carried out or land provided by a developer represent good value for money and could not be provided by the Council itself or any third party at a lower cost;
- c) works carried out or land provided by a developer and used to offset development contributions are ones that:
 - i. would normally be provided by the Council;
 - ii. are included in the Council's capital programme; and
 - iii. are included in the amount of development contributions in this policy.

Section 3 – Practical application

Section 3 sets out the steps the Council will take when processing consents or authorisations for development and requiring development contributions. The steps reflect policies adopted by the Council in **Section 2** on matters such as activities, catchments, units of demand, timing of payment, remissions, reductions and postponements.

3.1 Requirement for development contributions – test for ‘development’

3.1.1 When granting:

- a) a resource consent under the Resource Management Act 1991;
- b) a building consent under the Building Act 2004;
- c) an authorisation for a service connection;
- d) a certificate of acceptance under section 98 of the Building Act 2004;

Council will first determine whether the activity to which the consent or authorisation relates is a ‘development’ under the Act, that:

- a) has the effect of requiring new or additional assets or assets of increased capacity (including assets which may already have been provided by Council in anticipation of development); and
- b) as a consequence, requires (or has required) Council to incur capital expenditure to provide appropriately for those assets; and
- c) that capital expenditure is not otherwise funded or provided for.

3.1.2 Once it has determined that the activity is a ‘development’, Council may require a development contribution to be made towards the activity associated with that development, according to the catchment in which the development is located, including:

- (a) Roading;
- (b) Wastewater treatment;
- (c) Water supply;
- (d) Stormwater; and
- (e) Community infrastructure.

3.1.3 Council will calculate the development contribution payable at the time of granting the consent or authorisation and issue **an assessment** of the development contributions payable.

3.1.4 That **assessment**, must be consistent with the contents of the policy in force at the time the application for resource consent, building consent, or service connection was accepted²⁸.

3.2 Determining units of demand

3.2.1 The Council has decided to use a standard table to determine units of demand for most common types of development. This is to ensure practicality and administrative efficiency in attributing

²⁸ Section 198(2A)

demand to particular developments or types of development, and that this is done on a consistent and equitable basis²⁹.

- 3.2.2 Council has determined that units of demand generated by different types of development are those set out in **Table 3**.
- 3.2.3 Demand for infrastructure capacity may come from:
- a) new lots (*lot units of demand*) that are required to be serviced in advance of their occupation; and
 - b) the use and development of lots (*activity units of demand*), including the intensification or expansion of activity on those lots.
- 3.2.4 The assumptions used in this policy to derive the unit of demand factors for business development in **Table 3**, are described in **Appendix 4**.

²⁹ Schedule 13 2

Table 3 Units of Demand Generated by Subdivision and Development	
Lot Unit of Demand	Units of demand
One residential or rural lot.	1.0
One commercial or industrial lot with an area of 1,000m ² or more, except when calculating the community infrastructure development contribution	1.0
One commercial or industrial lot with an area of less than 1,000m ² , except when calculating the community infrastructure development contribution	Lot area divided by 1,000 per square metre.
One mixed-use residential/commercial/industrial lot, except when calculating the community infrastructure development contribution	1.0
For the purposes of calculating community infrastructure development contributions only , one commercial, industrial or mixed use lot.	0
For the purposes of calculating water supply and wastewater development contributions only , any <i>existing legally established lot</i> not connected to either the water supply network or the wastewater network as the case may be, excluding any existing <i>legally established lot</i> for which a targeted rate or SPV levy to fund capital costs for the scheme has been paid or will be paid.	0
For the purposes of calculating water supply and wastewater development contributions only , any <i>proposed lot</i> not to be connected to either the water supply network or the wastewater network, as the case may be.	0
One <i>lot</i> : <ul style="list-style-type: none"> ▪ wholly covenanted in perpetuity as provided for by section 22 of the Queen Elizabeth the Second National Trust Act 1977 ▪ the title or nature of which prevents any form of development on the <i>lot</i>. 	0
Activity Unit of Demand	Units of demand
One <i>dwelling unit</i> or <i>accommodation unit</i> of two or more <i>bedrooms</i> per unit.	1.0
One commercial or industrial unit, including the commercial or industrial part of any mixed use development, except when calculating the community infrastructure development contribution.	The <i>gross business area</i> on the <i>lot</i> (or in the case of calculating contribution for stormwater, the <i>impervious area</i>) multiplied by the applicable <i>unit of demand</i> factors in this table.
For the purposes of calculating community infrastructure development contributions only , any commercial or industrial unit, including the commercial or industrial part of any mixed use development.	0
Any <i>dwelling unit</i> or <i>accommodation unit</i> of one or fewer <i>bedrooms</i> per unit.	0.5
Any <i>retirement unit</i> for purposes of calculating the roading contribution only .	0.3
Any <i>retirement unit</i> for purposes of calculating the water supply and wastewater contributions only .	0.5
Any <i>aged care room</i> for purposes of calculating the roading contribution only .	0.2
Any <i>aged care room</i> for purposes of calculating the water supply and wastewater contributions only .	0.1
Any <i>aged care room</i> for purposes of calculating the community infrastructure contribution only .	0
Any development including <i>dwelling units</i> or <i>accommodation units</i> , situated in attached or multiple storey complexes of more than three units and any	For stormwater ONLY, the <i>impervious area</i> multiplied

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Table 3 Units of Demand Generated by Subdivision and Development	
<i>retirement unit or aged care room.</i>	by the applicable <i>unit of demand</i> factor in this table.
For the purposes of calculating water supply and wastewater development contributions only , any <u>existing</u> <i>legally established</i> development not connected to either the water supply network or the wastewater network as the case may be, excluding any existing <i>legally established</i> development for which a targeted rate or SPV levy to fund capital costs for the scheme has or will be paid..	0
For the purposes of calculating water supply and wastewater development contributions only , any <u>proposed</u> development not to be connected to either the water supply network or the wastewater network, as the case may be.	0
Network infrastructure, including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems	0
Farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crop production.	0
Any <i>utility building</i> for purposes of calculating the roading, stormwater and community facilities contributions only .	0
Any <i>utility building</i> for purposes of calculating the water supply and wastewater contributions only .	1.0
Other activity (Activity not specified elsewhere in this table) or if listed in this table, of such an type that it does not reflect the demands normally expected of the activity or where measures taken on the site demonstrably reduce demand on Council infrastructure.	Special assessment
Unit of Demand Factors Commercial or Industrial Development	Calculated in Appendix 4
Roading	0.0014 per square metre of <i>gross business area</i> on the lot used principally for commercial or industrial purposes.
Water Supply	0.00467 per square metre of gross business area on the lot used principally for commercial or industrial purposes.
Sewerage	0.00467 per square metre of <i>gross business area</i> on the lot used principally for commercial or industrial purposes.
Stormwater	0.00278 per square metre of the <i>impervious area</i> on the lot.

3.3 Special assessments

- 3.3.1 When in **Table 3**, a special assessment is required, the Council will consider the nature and scale of the development and its relative demand on infrastructure capacity under any Council activity, as compared to other development types listed in **Table 3** and the *units of demand* attributed to them.
- 3.3.2 In carrying out a special assessment, the Council will consider, and give equal weight to the following:
- a) The proposed traffic, water supply, wastewater and stormwater flows of the development and, where applicable, its demand on community infrastructure. It will compare these with the demands expected from one standard dwelling of 2 or more bedrooms (1 Unit of Demand) and assess the demand of the proposed development relative to that.
 - b) The benefit that the development and its occupants will still derive from other Council funded growth infrastructure in the wider networks.
- 3.3.3 In doing so, the applicant will provide all information requested on projected traffic, wastewater and water demand, impervious area and occupancy of the development. In the absence of that information the Council will not be obliged to carry out the special assessment.

3.4 Amount of contribution

- 3.4.1 In keeping with its policy in **Section 2**, the Council will not seek development contributions for any existing lots or development already legally established on the application site. It deems all existing lots and development to have paid a contribution. The formula below deducts the demand already generated by any existing lots or development on the application site from the demand expected after the consented development is completed.
- 3.4.2 The total amount of development contribution payable when granting any consent or authorisation for subdivision or development, will be the sum of the development contribution payable **for each activity**, calculated as:

$$[(a) \times (\text{Sum of } (n) - \text{Sum of } (x))] + \text{GST}$$

Where:

(a) = the applicable development contribution amount per *unit of demand* determined from **Table 1** and the *catchment* for each type of community facility in which the subdivision or development lies.

(n) = for each *lot at the completion of the consent or authorisation application*, the total *lot units of demand* OR the total *activity units of demand*, determined by **Table 3**, whichever is the greater.

(x) = for each *lot in existence* (or for which a section 224 certificate under the Resource Management Act 1991 has been granted) **prior to the date of the consent or authorisation application**, the total *lot units of demand* OR the total *activity units of demand* for the existing development, determined by **Table 3**, whichever is the greater.

3.5 Assessments and invoicing

- 3.5.1 The Council can require development contributions at the times allowed by the Act³⁰, in the case of:
- a) a resource consent for land use, when granting the consent under the Resource Management Act 1991;
 - b) in the case of a service connection, at the time of granting an authorisation of a service connection; and
 - c) in the case of a certificate of acceptance, at the time of granting the certificate of acceptance under the Building Act 2004, but only if a development contribution would have been required had a building consent been granted for the same building work in respect of which the certificate is granted.
- 3.5.2 The Council will first issue an **assessment** of development contributions payable at these times and will **invoice** development contributions, in the case of:
- a) a resource consent for land use, an authorisation for service connection or a certificate of acceptance, 14 working days after the granting the consent, authorisation or certificate.
 - b) a subdivision consent, at the time of receiving an application for a certificate under section 224(c) of the Resource Management Act 1991; and
 - c) a building consent under the Building Act 2004, at the time the first building inspection is carried out.
- 3.5.3 A development contribution may be paid at any time from the date of issuing an **assessment** up to the date when the contribution is required to be paid as a result of the Council issuing an **invoice**.
- 3.5.4 In keeping with section 208 of the Act, the Council, after issuing an **invoice**, will withhold any land use consent, certificate of acceptance or authorisation for a service connection which it has granted, until the development contribution has been paid.
- 3.5.5 The Council may, on request, issue an **assessment** of a development contribution payable on a proposed development as part of a Project Information Memorandum (PIM) but cannot require a development contribution when issuing the PIM.
- 3.5.6 Any **assessment** issued with a PIM may be subject to changes arising from changes to the proposal and depending on the date upon which any subsequent application for a resource consent, building consent, certificate of acceptance or service connection authorisation, is accepted.

³⁰ Section 198(1)(a), (b) and (c) and section 198(4A)

3.6 Remissions, reductions, postponements and refunds

Nothing in this policy diminishes from the rights of reconsideration or objection provided for in the Act³¹. In addition to these rights, the Council will consider applications for the remission, reduction or postponement of development contributions.

3.6.1 Remissions and reductions

3.6.1.1 The Council may, at the request of an applicant, remit or reduce any development contribution assessed on a development where:

- a) it is expected to provide a *significant community benefit*; or
- b) the applicant has provided and/or funded the same infrastructure that a development contribution is being required for.

3.6.1.2 Where a remission or reduction is requested under 3.6.1.1 a), the Council must be satisfied that it can fund the reduction or remission from other sources and one of the following criteria can be met:

- a) The applicant is a provider of social housing and proposes to sell homes to purchasers at a price below the annual district median house price; **or**
- b) The applicant is an Incorporated Society defined under section 4(1) of the Incorporated Societies Act 1908 or a Charity defined under section 4(1) of the Charities Act 2005; **and**
 - i. the applicant is not funded substantially by Central Government or any parent organisation or other party that provides it with income over and above its own sources such as donations, membership fees or income from sales and services it provides; **or**
 - ii. the development itself contributes to the health and safety or alleviates hardship, vulnerability, cruelty in the district community; **or**
 - iii. financial records show that the proposed development will not be able to proceed without a reduction or remission of development contributions.

3.6.1.3 Where a remission or reduction is requested under 3.6.1.1 b), the following criteria must be met:

- a) The remission or reduction will be limited to the cost of infrastructure provided or funded and be subject to Council procurement procedures.
- b) In cases where the cost of infrastructure provided or funded exceeds the development contribution payable, the Council will meet the excess costs by separate agreement with the applicant, also subject to the Council's procurement procedures.

3.6.2 Postponements

³¹ Section 199A, section 199B and section 199C

- 3.6.2.1 Council will consider applications for a postponement of the payment of a development contribution in the case of:
- a) a subdivision consent; or
 - b) a resource consent for land use only, where one or more building consents are required to give effect to the resource consent.
- 3.6.2.2 In the case of a subdivision consent, the application must be made when a development contribution **assessment** is issued and before the Council receives an application for a certificate under section 224(c) of the Resource Management Act 1991 and issues an invoice. If it grants a postponement, the Council may do so on whatever terms it thinks fit, including that it may:
- a) grant a certificate under section 224(c) of the Resource Management Act 1991, prior to the payment of a development contribution; and
 - b) register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.
- 3.6.2.3 In the case of a resource consent for land use, the application must be made no later than 14 working days after the issue of a development contribution **assessment**, at which time the Council will issue an invoice. If it grants a postponement, the Council may do so on whatever terms it thinks fit, including that it:
- a) will require the development contribution to be assessed and paid on the one or more building consent/s that will give effect to the resource consent;
 - b) will, in accordance with section 198(2A) of the Act, assess the development contribution on each building consent in accordance with the contents of the policy in force at the time the application for the building consent is accepted;
 - c) may register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.
- 3.6.2.4 In registering a statutory land charge, the Council will require payment of the development contribution when:
- a) in the case of subdivision, each lot or a specified number of lots in the subdivision is transferred; or
 - b) in the case of a resource consent for land use, at the time the first building inspection is carried out on each building consent granted under the Building Act 2004 that gives effect to the resource consent.
- 3.6.3 [Requests for review](#)
- 3.6.3.1 Upon receiving a development contributions assessment, an applicant may formally request Council to review the development contribution required and remit, reduce or postpone the development contribution payment.
- 3.6.3.2 Any such request will be made in writing no later than 14 working days after the date on which Council issues an assessment, setting out the reasons for the request.

- 3.6.3.3 Prior to accepting any such request for review, Council will require the applicant to provide specific details of the manner in which its proposals qualify for a remission, reduction or postponement.
- 3.6.3.4 The Council Hearings Committee will consider any request for review of a development contribution and in doing so:
- a) will, as soon as reasonably practicable, publicly notify and consider the request;
 - b) will give at least five working days' notice to the applicant of the date, time and place of the hearing;
 - c) may at its discretion uphold, remit, in whole or in part, or postpone (as the case may be) the original development contribution assessed;
 - d) will advise the applicant in writing of the decision within ten working days of the decision being made.
- 3.6.3.5 The Council may charge a fee as determined in its annual schedule of fees, to consider a request.

3.6.4 Refunds

- 3.6.4.1 The Council will refund development contributions in accordance with the requirements of sections of the Act³². The Council may retain any portion of a development contribution, to a value equivalent to the costs incurred by it in relation to a development or building, in the case where a development is discontinued and the Council is required to refund the development contribution³³.

3.7 Reconsideration process

- 3.7.1 An applicant who is required to make a development contribution, may request a reconsideration of that requirement if they believe that:
- a) the development contribution was incorrectly calculated or assessed under this policy; or
 - b) the Council incorrectly applied this policy; or
 - c) the information used to assess the applicant's development against this policy, or the way the Council has recorded or used it when requiring the development contribution, was incomplete or contained errors³⁴.
- 3.7.2 Any request for reconsideration will be made in writing, no later than 10 working days after the date on which the applicant receives notice from the Council of the level of development contribution required.
- 3.7.3 Any request for review must include the reasons for reconsideration and provide sufficient information to enable the Council to reconsider the development contribution.

³² Section 209 and section 210

³³ Section 209(2)

³⁴ Section 202A, section 199A

3.7.4 The Council will limit its considerations to matters set out in the Act³⁵ and will within 15 working days of receiving the request and all relevant information, advise the applicant of the outcome³⁶.

3.8 Contributions not paid

3.8.1 If contributions are not paid at the times required, the Council may³⁷:

- (a) withhold a certificate under section 224(c) of the Resource Management Act 1991 in the case of a subdivision;
- (b) prevent the activity commencing in the case of a land use consent;
- (c) withhold a code compliance certificate in the case of a building consent;
- (d) withhold a service connection to the development;
- (e) withhold a certificate of acceptance under section 98 of the Building Act 2004;
- (f) in each case register a charge on the land under the Land Transfer Act 2017.

3.8.2 If, after exercising its powers to prevent a development proceeding, any development contribution remains unpaid, the Council may take debt recovery action to recover that development contribution. A development contribution is recoverable as a debt³⁸.

3.8.3 If a grantee of consent is in possession of two development contribution invoices for different consents relating to the same development, both invoices will continue to have effect until payment is made of one of those invoices. When the first invoice is paid, the second invoice will be withdrawn. Any excess balance of development contributions still payable for the subdivision or development relating to the second invoice will be re-assessed.

3.8.4 If any development contribution is payable on re-assessment, a new invoice will be issued.

3.8.5 Except as provided for, no consented activity or building work will commence prior to the payment of the development contribution and where such activity or work has commenced prior to such payment, Council will require this to cease until payment has been made.

3.9 Information requirements

3.9.1 The applicant for any consent or authorisation will provide all information necessary for Council to calculate the amount of a development contribution, including the *gross business area* and the *impervious area* of the development if required for purposes of an assessment under **Table 3**.

3.9.2 If required, the applicant will be responsible for providing proof of the legal establishment of existing *units of demand* for purposes of an assessment under **Table 3**.

³⁵ Section 199A

³⁶ Section 199B(1)

³⁷ Section 208

³⁸ Section 252

3.9.3 Existing *units of demand* may include *legally established* buildings and structures existing when this policy became operative on 1 July 2021, but that have since been demolished.

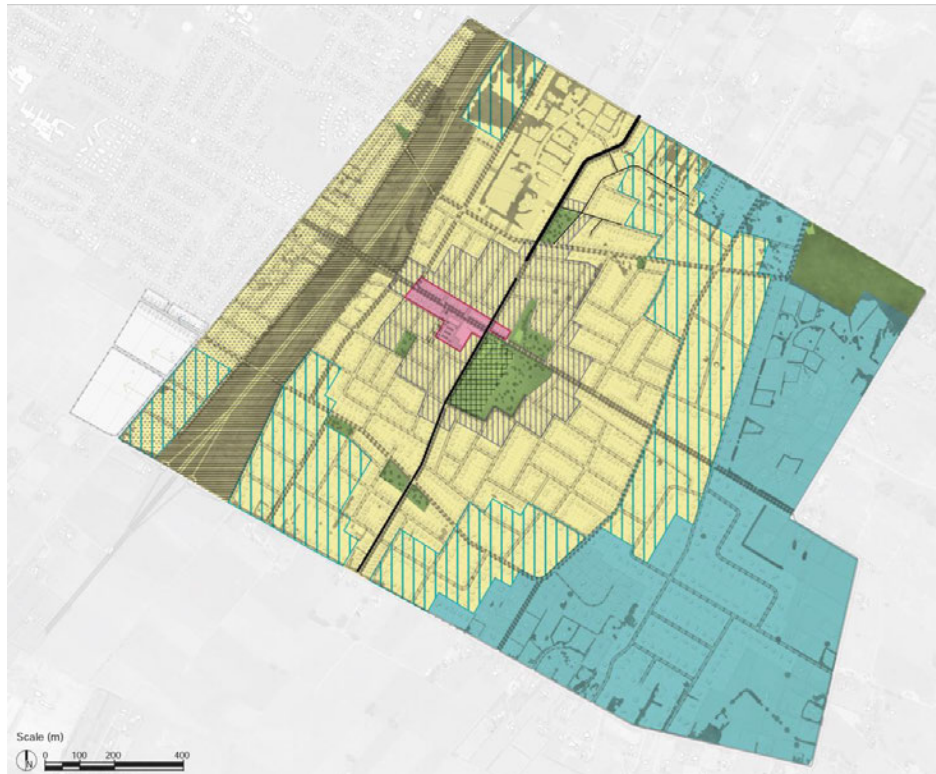
3.10 Statement on GST

3.10.1 Any development contribution referred to in this policy or in the accompanying development contributions model and any development contribution required in the form of money, pursuant to this Policy, is exclusive of Goods and Services Tax.

Appendix 1 – Development Contribution Activity Catchments

Community Facility	Catchment	Development to which Development Contribution Applies
Roading	District	Development anywhere in the District
Roading	Tara-Ika growth area	Development in the Tara-Ika Growth Area (Map 1)
Community infrastructure	District	Development anywhere in the District
Wastewater Treatment	District	Development anywhere in the District where the service is available
	Scheme	Development anywhere in the District where a specific wastewater scheme is available
	Tara-Ika growth area	Development in the Tara-Ika Growth Area (Map 1)
Water Supply	District	Development anywhere in the District where the service is available
	Scheme	Development anywhere in the District where a specific water supply scheme is available
	Tara-Ika growth area	Development in the Tara-Ika Growth Area (Map 1)
Stormwater Management	District	Development anywhere in the District where the service is available
	Scheme	Development anywhere in the District where a specific stormwater scheme is available
	Tara-Ika growth area	Development in the Tara-Ika Growth Area (Map 1)

Map 1 – Tara-Ika Growth Area



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Horowhenua District Development Contributions Policy – 2021-2041

Part 2 – Legislation, method of calculation of contribution amounts and supporting information

This development contributions policy is in two parts. **Part 1** gives context to the policy and sets out the decisions the Council has taken in making the policy. It then describes the steps to be followed when applying the policy to development applications.

Part 2 is a separate document setting out the legislative matters the Council has had to consider, the method of calculating the contributions, significant assumptions, a summary of financial contributions and other supporting material.

This policy is operative from 1 July 2021, and is based on capital expenditure proposed in the 2021-31 Long Term Plan. It takes direction from Council's Revenue and Financing Policy on which activities are to be funded by development contributions. The various sections of the policy cover:

- **Section 1** - the purpose of the policy, the growth and infrastructure context and a comparison between development contributions and other sources of funding.
- **Section 2** - the decisions the Council has taken in making this policy.
- **Section 3** - the way the policy will be applied in practice.
- **Section 4** – the legislative matters the Council has considered.
- **Section 5** – the way in which development contributions are calculated.

Section 4 - Legislation

4.1 General

4.1.1 This policy, the Horowhenua District Development Contributions Policy 2021-2041, is made under the Local Government Act 2002 (the Act). The legislative matters the Council has had to consider in making the policy are set out in the schedule of compliance below.

4.1.2 As well as observing all matters relating to policy content in the Act¹ and the principles² underlying the way in which it requires, determines and uses development contributions, the Council has determined that:

- a) the decision to adopt the development contributions policy is a significant decision;
- b) it believes it has met its decision making and consultation obligations under the Act to the extent required.

¹ Section 106 and section 201

² Section 197AB

4.2 Schedule of compliance

Local Government Act 2002	Provision summarised	Reference to policy document
Section 101(1)	The Council must manage its financial dealings prudently and in the current and future interests of the community.	Section 1.1 - Purpose
Section 102(1)	The Council must be sure about sources and levels of funding it will use for the activities it carries out.	Section 1.1 - Purpose
Section 102(2)(d)	There are various funding sources available to the Council. To use these, it has to adopt a number of financial and funding policies, one of which is a policy on development contributions or financial contributions.	Section 1.1 - Purpose
Section 101(3)(a) Section 101(3)(b)	The Council incurs capital works expenditure in order to: <ul style="list-style-type: none"> a) provide additional capacity in assets to cater for new development; b) improve the level of service to existing households and businesses; c) meet environmental and other legislative requirements; and d) renew assets to extend their service life. <p>The funding needed to meet these expenditure requirements must be met from sources that Council determines to be appropriate, following a consideration in relation to each activity, of matters under sections 101(3)(a)(i) to (v) and 101(3)(b).</p>	Section 2.2 - Activities for which development contributions will be applied
Section 199(1) Section 197(1)	A development contribution may be payable when development, defined in the Act, is carried out and the effect of this is the need for new or additional assets, or assets of increased capacity, causing the Council to incur capital expenditure.	Section 2.1 – Requiring contributions for ‘development’
Section 198 Section 200(4) ³	The Council can require a development contribution of money or land, or both, to be made by the grantee or the owner of land on the issuing of the following consents or authorisations: <ul style="list-style-type: none"> (a) a resource consent under the Resource Management Act 1991; (b) a building consent under the Building Act 2004; (c) an authorisation for a service connection; (d) the granting of a certificate of acceptance under section 98 of the Building Act 2004. 	Section 2.1 - Requiring contributions for ‘development’ Section 3.1.1 – Requirement for development contributions – test for ‘development’
Section 197AB(1)(d)	Development contributions must be used: <ul style="list-style-type: none"> (a) for or towards the purpose of the activity or the group of activities for which the contributions were required; and (b) for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required. 	Section 2.1 - Requiring contributions for ‘development’
Section 198(2A)	A development contribution must be consistent with the content of the policy that was in force at the time that the application for a resource consent, building consent, or	Section 2.11.5 Section 3.1.4

³ Covers the increased scale and intensity of the development

Local Government Act 2002	Provision summarised	Reference to policy document
	service connection was submitted, accompanied by all required information.	
Section 197AB(1)(g)	In keeping with this principle, the Council can group together certain developments by geographic area or land use, so that the cost of growth-related infrastructure is distributed fairly and equitably. Grouping development into catchments should generally avoid district-wide catchments but the Council has discretion to balance fairness and equity with considerations of practical and administrative efficiency.	Section 2.3 .and Appendix B - Catchments to be used when requiring contribution
Section 201(1)(a)	This policy must contain an explanation and justification for the way in which development contributions are calculated	Section 5 – Calculating the development contributions
Section 201(1)(b)	This policy must contain the significant assumptions underlying the calculation of the schedule of development contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects.	Appendix 2 – Assessment of significant assumptions
Section 197AB(1)(a)	No project can be considered for inclusion in a development contribution amount, unless the effects or cumulative effects of developments will create or have created a requirement for the Council to provide or to have provided the project to create new or additional assets or assets of increased capacity.	Section 2.4.1 Sections 5.1.5 and 5.1.7
Section 200(1)	The Council cannot require a development contribution for a reserve, network infrastructure, or community infrastructure to the extent it is funded by a financial contribution, by the developer, by a development contribution already required for the same purpose or by a third party. Any amount from these or other sources must be deducted from the project costs being considered for funding by development contributions.	Section 2.4.2 Section 5.1.4 c)
Section 199(2)	As well as assets to be provided in the long term plan, the Act allows the Council to require development contributions to be used to fund capital expenditure already incurred in anticipation of development, prior to the adoption of this policy.	Section 2.5 – Asset capacity provided in the past
Section 197AB(1)(b) Schedule 13 1(2)	The Council has considered the period over which the benefits of capital expenditure for new development are expected to occur. As well as benefits occurring from spending before and during the long term plan period, the Council can identify capital expenditure on assets or groups of assets that will be built after the period covered by the long-term plan, provided they are identified in the development contributions policy.	Section 2.6 – Period of benefits
Section 197AB(1)(c)	The cost of any project or work identified in the long term plan will, be allocated between: a) the costs for improving levels of service to existing households and businesses by bringing assets up to the service standard and/or by providing additional service life, to be expressed as the ILOS cost; and b) the costs for providing additional capacity to service the development of new households and businesses, to be expressed as the AC cost.	Section 2.7 – Cost allocation Section 5 - Calculating the development contributions

Local Government Act 2002	Provision summarised	Reference to policy document
Section 197AA	The purpose of development contributions is to enable the Council to recover the total cost of capital necessary to service growth over the long term. This enables the Council to include interest and inflation in the amounts of development contributions.	Section 2.8 – Interest and inflation Section 5.5 – Interest and inflation
Section 201(1)(a)	The Act requires this policy to include, in summary form, an explanation of, and justification for, the way each development contribution in the schedule required by subsection 201(2) is calculated.	Section 5 - Calculating the development contributions
Section 197AB(1)(e) and (f)	In keeping with principles in and in accordance with: a) Section 201 and section 202 of the Act, Table 1 of this policy shows the schedule of development contributions payable for each activity type in each part the of district. The amounts exclude GST. b) Table 2 of this policy summarises capital expenditure in the long term plan that the Council expects to incur to meet the increased demand for community facilities resulting from growth and the proportion of that expenditure to be funded from various sources, including development contributions. c) Section 201A of the Act, Appendix 5 contains a schedule of assets for which development contributions will be used.	Section 2.9 - Development contribution amounts – Table 1 and Table 2 Appendix 5 – Schedule of assets
Schedule 13 2	The Council, in determining the maximum development contribution that may be required for a particular development or type of development, must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis.	Section 2.10 – Units of demand Section 3.2 Determining units of demand Table 3 – Units of demand generated by subdivision and development
Section 198(1)(a),(b) and (c) Section 198(4A)	A development contribution may be required at the time the Council grants: a) a resource consent for subdivision or development; b) a building consent; c) an authorisation for service connection; d) a certificate of acceptance under section 98 of the Building Act 2004.	Section 2.11 – When are development contributions paid? Section 3.5 - Invoicing
Section 201(1)(c)	This policy must include conditions and criteria that will enable Council to consider remissions, postponements and refunds to development contributions.	Section 2.12.1 Section 3.6.1 – Remissions and reductions Section 3.6.2 – Postponements Section 3.6.3 – Requests for review Section 3.6.4 - Refunds

Local Government Act 2002	Provision summarised	Reference to policy document
Section 202A Section 199A Section 199B(1)	This policy must set out the process for requesting reconsideration of a requirement for a development contribution under section 199A of the Act. The process for reconsideration must set out: a) how the request can be lodged with the Council; and b) the steps in the process that the Council will apply when reconsidering the requirement to make a development contribution. The Council must, within 15 working days after the date on which it receives all required relevant information relating to a request, give written notice of the outcome of its reconsideration to the applicant who made the request.	Section 2.12 Section 3.6 Section 3.7 – Reconsideration process
Sections 207A to 207F	The Council and developers can enter into development agreements. The provisions of these sections apply to such agreements.	Section 2.13 – Development Agreements
Sections 208 and 209	These sections set out the Council’s powers of recovery when development contributions are not paid and when it is required to refund development contributions	Section 3.8 – Contributions not paid Section 3.6.4 - Refunds
Section 209(2)	The Council must return a development contribution or land if a development does not proceed	Section 3.6.4 Refunds
Section 252	A development contribution not paid is recoverable as a debt	Section 3.8.2
Section 199A	Right of reconsideration is limited to certain matters	Section 2.12 Section 3.6 Section 3.7.4
Section 199C	This gives a person the right to object to the assessed amount of a development contribution	Section 2.12 Section 3.6

4.3 Related Council policies/strategies/bylaws or guidelines

- 4.3.1 This policy does not diminish from any requirements under the Horowhenua District Plan, which impose works conditions to avoid, remedy or mitigate the adverse effects of any development on the environment.
- 4.3.2 Nothing in this policy will diminish from an applicant paying any charges required under the Council’s bylaws or any policy on fees and charges.
- 4.3.3 Nothing in this policy, including the amounts of development contributions payable in **Table 1**, will diminish from any other legal requirement to make a payment for community facilities other than a development contribution, including connection fees or any other fee required to be paid by agreement with the Council.
- 4.3.4 No expenditure by the developer on works or assets to avoid, remedy or mitigate the adverse effects of any development on the environment, or required by agreement in addition to a development contribution, such as roading, water supply, wastewater, urban stormwater and community infrastructure (even where this may at some stage vest in the Council), will be included in the calculation of development contributions under this policy).

- 4.3.5 The value of assets vested or expenditure made by a developer, in accordance with a requirement under the Resource Management Act 1991, will not be used to offset development contributions payable on development, unless all or a portion of such assets or expenditure can be shown to avoid or reduce the need for the Council to incur costs providing an asset that is included in its capital works programme, for which development contributions are sought.
- 4.3.6 The value of assets vested or expenditure made voluntarily by a developer to enhance a development will not be used to offset development contributions payable on development.

Section 5 – Calculating the development contributions

This section is required by section 201(1)(a) of the Act. The calculation of the separate development contribution amounts in **Table 1**, is carried out using the following methodology.

5.1 Listing projects and information required

- 5.1.1 Every project in the capital works programme of the long term plan, for the activities for which the Council intends to require development contributions, is listed in the Project Allocation Schedule of the Development Contributions Model which may be examined on request at any office of the Council.
- 5.1.2 Any past capital project with surplus capacity is listed in the Surplus Capacity Schedule. However the Council has decided not to seek to recover any part of the costs of past projects through this policy. It will reconsider this position in the next review of the policy.
- 5.1.3 Where possible, distinct stages of a project or distinct parts of a project are listed in the schedules as separate components and separate calculations carried out for each.
- 5.1.4 For each project in the schedules, the following information is provided:
- a) the year in which the project or component is to be carried out in the long term plan, or in the case of each surplus capacity project (SC project), the year it was completed;
 - b) the total project cost;
 - c) the amount of any subsidy or grant toward each project or from any other source, which is deducted from the total project cost to give the net project cost;
 - d) the catchment that the project will serve.
- 5.1.5 In keeping with the principles in the Act⁴, each project in the Project Allocation Schedule is categorised “Yes” or “No” in answer to the question – “Is this capital expenditure required at least partly to provide appropriately for new or additional assets or assets of increased capacity in order to address the effects of development?” By answering:
- a) “No” - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the Development Contribution calculation;
 - b) “Yes” - the project is treated as either a combined project (AC/ILOS project) or an additional capacity for growth project (AC project) and is subject to further analysis.
- 5.1.6 For each project in the Project Allocation Schedule, where the answer to the question above is “Yes”, the following information is provided:
- a) the expected distribution of benefits of the project between the existing community as a whole or identified parts of it or individuals;
 - b) the period over which benefits of the project are expected to occur, determined by stating the year in which capacity take up is expected to start and the year in which the project capacity is expected to be fully consumed;
 - c) the cause of the project;
 - d) any supporting information or reference to information describing the reasons for the project.

⁴ Section 197AB(1)(a)

- 5.1.7 If surplus capacity projects were to have been included in this policy then, in keeping with the principles in the Act⁵, each project in the Surplus Capacity Schedule would have been categorised “Yes” or “No” in answer to the question – “Was capital expenditure on this project incurred, at least partly, in anticipation of development?” By answering:
- a) “No” - the project would be treated as a pure renewal or level of service project and the cost of the project removed from the Development Contribution calculation;
 - b) “Yes” - the project would be treated as either a combined project (AC/ILOS project) or an additional capacity for growth project (AC project) and be subject to further analysis.

5.2 Analysis of combined and additional capacity for growth projects

- 5.2.1 Using the information provided on combined projects (AC/ILOS projects) and additional capacity for growth projects (AC projects) in the project schedules, a cause/benefits matrix analysis is carried out by which it is required to state for each project:
- a) the degree, on a scale of 0 to 1, to which growth creates the need for the project to be undertaken;
 - b) the degree, on a scale of 0 to 1, to which the growth community will benefit from the project being undertaken.

5.2.2 The value is chosen in each case from the cause/benefits matrix in the model which produces an estimated percentage of cost attributable to growth.

5.2.3 The percentage derived is applied to the net project cost to determine the *AC cost*. The remainder of the net project cost is the *ILOS cost*.

5.3 AC cost allocation between new and future units of demand

5.3.1 Using information provided on the year in which capacity take up of a project is expected to start and the year in which the project capacity is expected to be fully consumed, the *AC cost* of the project is divided between new *units of demand (N)* arriving in the *activity-funding area* in the long term plan period and future *units of demand (F)* arriving after the end of the long term plan period, as follows:

- a) the AC cost to F is the AC cost determined above, multiplied by the years of capacity take up after the long term plan period divided by total years of capacity take-up;
- b) the AC cost to N is the AC cost less the AC cost to F.

5.3.2 If surplus capacity projects were to have been included in this policy then, the AC cost to N from the previous long term plan would be adjusted for any development contributions received in the three years since adoption of the last long term plan and for any additional AC cost to N expenditure incurred in those 3 years. The total would be adjusted for interest.

5.3.3 For each activity-funding area, the combined AC cost to N from all projects in the long term plan period is divided by the projected new units of demand (N) that will consume capacity

⁵ Section 197AB(1)(a)

in those projects in the long term plan period to give the development contribution amounts in **Table 1**.

- 5.3.4 The AC Cost to F from the previous long term plan is adjusted for any additional AC Cost to F expenditure in the last 3 years and is adjusted for interest.
- 5.3.5 If surplus capacity projects were to have been included in this policy then, to deal with asset capacity life requirements in the Act, the assumption would have been that *surplus capacity projects (SC projects)* have capacity for 30 years for all infrastructure types. However, when doing the calculations above, if development contributions received were to exceed the cost of surplus capacity, then the asset would have been regarded as being consumed and play no further part in the calculation.

5.4 Growth Assumptions

- 5.4.1 In order to calculate the amount of new development to which the growth-related portion of capital expenditure (AC costs) for infrastructure will be attributed, area-by-area projections of new and future units of demand for services in the period 2021 to 2051 are required.
- 5.4.2 The numbers of Rating Units provide a close correlation with numbers of lots in the district and the number of multiple units of activity on any lot where this is the case. They are considered to provide a reasonably sound measure of the units of demand for infrastructure and services.
- 5.4.3 To arrive at a projections of Rating Units and to align these with the population and household growth assumptions adopted for the long term plan, the following steps have been taken:
 - a) the occupied dwelling projections provided for the long term plan by Sense Partners have been adjusted upward to include an estimated 15% additional unoccupied dwellings, using 2018 Census data;
 - b) data for 2020, giving the ratio of business to residential rating units has been applied to the dwelling projections to add a business component; and
 - c) data for 2020, giving the distribution of rating units across the district has been used to break down the combined dwelling and business projections into the main urban centres and smaller settlements.
- 5.4.4 On the basis of decisions made by Council in **Section 2** on the development contribution catchments that will apply to each activity type, the growth projection worksheet of the Development Contributions Model - Projections Schedule - contains the number of Rating Units (units of demand) for each activity type and each of the separate catchment areas at the base year date of 1 July 2021.
- 5.4.5 It provides the expected annual increase in the numbers of Rating Units and hence units of demand to 2051, in each of these areas. Rating data is available for the whole district, parts of it and each of the water supply, wastewater and stormwater scheme areas.
- 5.4.6 For Ohau water supply and wastewater treatment activities and Waitarere water supply activity, there is capital spending in the Long Term Plan but, in each case, the service will not be available until at least 2029/30. The Rating Unit projections show zero existing units of demand at 1 July 2021 and no new Rating Units connecting, until the year in which capital expenditure on each of the schemes is started. The proposed expenditure in each case is then shared pro-rata over time among each of the units of demand that connect until the point at which it reaches capacity.

- 5.4.7 Although shown in **Table 1** of this policy, the resulting development contribution amounts will not be payable for Ohau water supply and wastewater treatment or for Waitare Beach water supply, until the service is available in each case and properties begin to connect.

5.5 Interest and Inflation

- 5.5.1 The Development Contributions Model includes interest on growth-related capital expenditure and inflation in the calculation of the development contribution amounts, in accordance with the Council's policies in **Section 2**.
- 5.5.2 The Council is trying to recover all interest by the end of the development contribution calculation period.
- 5.5.3 Interest estimates can be prepared based on the amount of outstanding (growth-related) debt over time and the ongoing reduction of that debt by development contribution revenue.
- 5.5.4 The methodology for calculating development contributions is designed to take account of the interest free loans that have been negotiated by the Council as part its arrangements with Crown Infrastructure Partners (CIP).
- 5.5.5 The Development Contributions Model uses the inflated capital costs in the long term plan to calculate development contributions.

Appendix 2 – Assessment of significant assumptions⁶ underlying the calculation of the schedule of development contributions

Assumption	Level of Uncertainty	Potential Effects
The rate, level and location of growth will occur as forecast in growth projections accompanying the long term plan	High	Lower than forecast growth will result in under-recovery of development contributions revenue and an increase in interest costs
Rating units provide a sound measure of units of demand for infrastructure, taking account of both residential and non-residential activities across the district	Moderate	While the residential rating component, using population and dwelling projections, is more predictable, business activity rating units may vary markedly from year to year. High business rating unit projections will reduce development contribution amounts in the schedule and if not matched by sufficient development will result in under-recovery of revenue. Low business rating unit projections will increase development contribution amounts in the schedule. If business development exceeds expectations revenue will increase but the higher unit contributions will burden all new development
Capital expenditure will be in accordance with the capital works programme in the long term plan	Moderate/High	In early stages of developing major new growth areas, costs may vary as plans are finalised and infrastructure demands and issues become clear
The activities for which development contributions are recovered will remain unchanged for the period of the long term plan	Moderate/High	Three waters reforms and changing legislation on infrastructure funding tools may prevent recovery of capital expenditure in the next 5 years through development contributions
For each growth-related project, assumptions are made of the year in which capacity in the asset starts to be taken up and the year in which all capacity is consumed	Moderate/Low	Long capacity take-up assumptions for an asset will reduce contribution amounts in the schedule but increase the interest burden and also push costs out to future residents and businesses. Short capacity take-up assumptions will increase contribution amounts and place an undue burden on new residents and businesses arriving in the early years of the long term plan
For each growth related project, assumptions are made of the extent to which both existing and incoming residents and businesses create the need for the project and the extent to which they benefit from it	Moderate	Assumptions made without sufficient consideration of cause and benefit to existing and incoming residents and businesses could move the burden of growth-related infrastructure unreasonably to one or other group
There will be no significant variations in predicted rates of interest and inflation to those set out in the long term plan	Moderate/High	Upward changes to current low interest rates, may have significant effects where capital expenditure for anticipated growth is relatively high in the early years of the long-term plan
Any existing lawfully established lots or developments are assumed to have paid development or financial contributions in the past or to have had the infrastructure capacity	Moderate	If a large proportion of new development takes place on existing lots, this may result in under-recovery of development contributions revenue and an increase in interest costs

⁶ Section 201(1)(b)

they benefit from, paid for through rates or other sources of funding		
No significant changes to service standards are expected to occur other than those planned for in the asset management plans and reflected in the capital works programme	Low	No significant effects anticipated
The level of third party funding including subsidies and grants as well as amounts and terms of loans negotiated will continue at predicted levels for period of the long term plan	Moderate	No significant effects anticipated

Appendix 3 – Glossary of Terms

“AC cost” means the cost for providing additional capacity to service the development of new dwellings and businesses.

“Accommodation units” has the meaning given to it in section 197(2) of the Local Government Act 2002 (See definitions below).

“Catchment” means a geographic area comprising the whole or any part of the district as defined in this policy, which will be served by a particular activity type.

“Activity unit of demand” means the demand for a community facility generated by development activity, other than subdivision.

“Additional capacity project” or “AC project” means a capital project in the long term plan intended only to provide additional capacity to service new and future households and businesses.

“Aged care room” means any residential unit in a “rest home” or “hospital care institution” as defined in section 58(4) of the Health and Disability Service (Safety) Act 2001.

“Allotment” or “lot” has the meaning given to the term “allotment” in section 218(2) of the Resource Management Act 1991. (See definitions below).

“Bedroom” means a room used for sleeping, normally accommodating no more than three persons and this includes a sleepout accessory to the main dwelling.

“Combined project” or “AC/ILOS project” means a project in the long term plan intended to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the service standard and/or by providing additional service life, and to provide capacity for further growth.

“Commercial” for the purposes of this policy, means the provision of goods, services and travellers’ accommodation principally for commercial gain, including camping grounds, caravan/trailer home parks, a depot for the maintenance, repair and storage of vehicles, machinery, equipment and materials and the storage and use of hazardous substances but does not include stalls or produce markets or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

“Community infrastructure” has the meaning given to it in section 197 of the Local Government Act 2002 (See definitions below).

“Development” has the meaning given to it in section 197 of the Local Government Act 2002. (See definitions below).

“Development contributions calculation period” means the period between 1 July 2011 and a date 30 years after the date of adoption of this policy.

“Dwelling unit” means any building or group of buildings or any part of those buildings, used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied by not more than one household. For avoidance of doubt, minor household units, self-contained sleepouts with kitchen and ablution facilities, utility buildings or any units of commercial accommodation are dwelling units.

“Gross business area” means:

- (a) the gross floor area of any building used for business activity, including the gross floor area of all floors of a multi-storey building; plus
- (b) the area of any part of the lot used solely or principally for the storage, sale, display or servicing of goods or the provision of services on the lot but not including permanently designated vehicle parking, manoeuvring, loading and landscaping areas, the conversion of which to another use would require resource consent.

The gross business area excludes the area of network infrastructure including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems, but includes the area of commercial and industrial buildings occupied by network service providers, including offices, workshops, warehouses and any outside areas used for carrying out their normal business.

“ILOS cost” means the cost of improving levels of service to existing households and businesses by bringing assets up to the service standard and/or by providing additional service life.

“Impervious Area” means that part of the lot which is already covered or is to be covered by any artificial impermeable surface but excludes any impervious areas created without a building or resource consent.

“Improved level of service project” or “ILOS project” means a capital project in the long term plan intended only to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the service standard and/or by providing additional service life.

“Industrial” for the purposes of this policy, means any land, building or part of a building used for the processing, assembly, servicing, testing, repair, packaging, storage or manufacture of a product or produce, including the maintenance, repair and storage of vehicles, machinery, equipment and materials, and the storage of hazardous substances associated with the activity, but does not include mineral extraction or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

“Legally established” means, in relation to any lot or development, any lot for which a title has been issued, or any dwelling, commercial or industrial unit or other structure for which a building consent or code compliance certificate has been issued. Legally established development includes buildings and structures that can be shown to have been in existence when this policy first became operative on 1 July 2021, but have since been demolished.

“Lot unit of demand” means the demand expected for a community facility generated by the creation of a lot by subdivision.

“Past surplus capacity” means capacity in assets provided as a result of capital expenditure made in anticipation of development since 1 July 2011.

“Remaining surplus capacity” means the estimated remaining capacity in capital assets at the end of the long term plan period, available to service future development occurring after the long term plan period.

“Retirement unit” means any residential unit other than an aged care room, in a “retirement village” as defined in section 6 of the Retirement Villages Act 2003.

“Serviced Site” means any site dedicated for the location of a vehicle or tent for the accommodation of persons, which is provided with utility services such as water supply, wastewater disposal, solid waste disposal, electricity or gas, either directly to the site or in the immediate vicinity.

“Service standard” means a level of service for any Council activity set by the Council and stated in the asset management plan for the activity concerned, (available for inspection on request at any office of the Council) having due regard to one or more of the following factors:

- (a) demand data based on market research;
- (b) widely accepted and documented engineering or other minimum standards;
- (c) politically endorsed service levels based on community consultation;
- (d) safety standards mandated by local or central government;
- (e) environmental standards mandated by local or central government;
- (f) existing service levels, where these are recognised by all concerned parties to be adequate but have no formal ratification;
- (g) efficiency considerations where the *service standard* must take account of engineering and economic efficiency requirements which require a long term approach to optimality.

“Surplus capacity project” or “SC project” means a past capital expenditure project carried prior to the adoption of this policy in anticipation of new development and providing surplus capacity for further development.

“Unit of demand” is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A unit of demand may be expressed as a lot unit of demand or an activity unit of demand.

“Utility Building” is a structure containing facilities (such as toilet, shower, laundry, hot water cylinder, laundry tub) that make the lot habitable in the absence of a dwelling or during the erection of a dwelling.

Definitions Under Acts

“Accommodation units” is defined in section 197(2) of the Local Government Act 2002 to mean “units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.”

“Allotment” is defined under section 218(2) of the Resource Management Act 1991 as follows:

- “(a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:
 - (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or
 - (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or
- (b) any parcel of land or building or part of a building that is shown or identified separately—
 - (i) on a survey plan; or
 - (ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or
- (c) any unit on a unit plan; or
- (d) any parcel of land not subject to the Land Transfer Act 1952.”

“Community infrastructure” is defined under section 197 of the Local Government Act 2002 to mean “the following assets when owned, operated, or controlled by a territorial authority:

- (a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and
- (b) includes land that the territorial authority will acquire for that purpose.”

“Development” is defined under section 197 of the Local Government Act 2002 as:

- “(a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- (b) does not include the pipes or lines of a network utility operator.”

Appendix 4 – Demand Factors for Business Development

D.1. Roading

Assumptions

Average business lot size = 1,500m²

Gross business area is 60% of site = 1,000m²

Employees per hectare of business = 20.6 employees per ha⁷.

Average household unit trip generation = 9 trips per day = 1 Unit of Demand

Business lots per net hectare = 5 (7,500m² sites, 2,500m² roads)

Gross business area per hectare = 5 X 1,000 = 5,000m²

Each site of 1,500m² and each 1,000m² of gross business area has = 20.6/5 employees = 4.1 FTE's

Minimum trip generation = 3 trips per employee per day = 12.6 trips per day

Unit of Demand Factor = 12.6/9 = 1.4 per 1,000m² of business area OR 0.0014 per m² of business area.

D.2 Water Supply and Wastewater Treatment

Assumptions:

Residential consumption 200 litres per person per day = 1 Unit of Demand

Average dwelling occupancy = 2.5 persons⁸

Average business water consumption = 14,000 litres per hectare of business land per day⁹

1 Household unit uses 200 litres X 2.5 = 500 litres per day = 1 Unit of Demand

1,000m² business land area uses 14,000 litres / 10 = 1,400 litres per day

Unit of Demand Factor = 1,400/500 = 2.8 per 1,000m² business land area

Assume gross business area is 60% of land area i.e. 1,000m² site has 600m² gross business area and uses 1,400 litres per day.

Unit of Demand factor = 1,400/500/600 = 0.00467 per m² of gross business area.

Unit of Demand factor is 4.67/1,000m² of gross business area for water and wastewater OR 0.00467 per m² of gross business area.

D.3 Stormwater

Assumptions

Average residential site = 600m²

Runoff co-efficient for greenfield land = 0.40ⁱ = C₁

Runoff co-efficient for residential areas = 0.55ⁱⁱ = C₂

Runoff co-efficient for business use = 0.65ⁱⁱⁱ = C₃

Unit of Demand Factor for business land

=	C ₃ -C ₁	X	1,000m ²
	C ₂ -C ₁		600m ²
=	0.65-0.40	X	1,000m ²
	0.55-0.40		600mm ²
=	2.78 per 1,000m ² site OR 0.00278 per m ² of impervious area.		

Surface Water, Building Industry Authority, December 2000, Table 1, Run-off co-efficients

ⁱ Heavy clay soil types – pasture and grass cover.

⁷ Upper North Island Industrial Land Demand, BERL Economics, February 2013, Pages 73-76

⁸ 2018 New Zealand Census population and dwelling counts amended 5/3/2020 - Usual resident population 33,261 in 13,302 occupied dwellings

⁹ Recent studies on business land water demand – available on request

- ii Residential areas in which impervious area is 35% to 50%.
- iii Industrial, commercial, shopping areas and town house developments.

Appendix 5 – Schedule of Assets

Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Shannon - Development Plan	LTP Project	30,810.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Manakau - Development Plan	LTP Project	30,810.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres TANS Marketing billboards	LTP Project	56,247.70	0.00%	100.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Foxton - Development Plan	LTP Project	63,162.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Mobile partitions	LTP Project	69,882.40	0.00%	100.00%
Community Infrastructure	CI District	CFS Sportsgrounds Donnelly Park improve cricket facilities	LTP Project	71,000.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Reserves Mangahao tracks renewals / improvements	LTP Project	78,942.50	0.00%	100.00%
Community Infrastructure	CI District	CFS Beautification Foxton East Beautification	LTP Project	94,731.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Makerspace for Children Youth and Adults	LTP Project	96,459.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Aquatic Centres Levin - Disabled change facilities	LTP Project	104,110.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Avenue Rd - Extend burial and cremation sites	LTP Project	106,080.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Mobile outdoor screen & accompanying audio & visual equipment	LTP Project	115,115.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Halls District halls & pavilions reactive renewals	LTP Project	117,546.30	0.00%	100.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Manakau - Logging	LTP Project	161,700.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Sportsgrounds Manakau Domain - Improvements	LTP Project	161,700.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Sportsgrounds Donnelly Park - Replace netball lights	LTP Project	180,000.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Youth Space Renovation	LTP Project	182,674.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Stafford Street Reserves improvement	LTP Project	192,510.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Waitare Domain improvements	LTP Project	197,531.10	25.00%	75.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Mobile stage trailer	LTP Project	197,870.25	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Building Renewal - Shannon Library	LTP Project	221,712.51	0.00%	100.00%
Community Infrastructure	CI District	CFS Public Toilets Public toilets - Minor renewals	LTP Project	235,092.60	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Park lighting replacement	LTP Project	255,000.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Waikawa Beach walkway	LTP Project	256,456.20	12.50%	87.50%
Community Infrastructure	CI District	CFS Libraries and Community Centres Innovative technology projects	LTP Project	261,741.94	25.00%	75.00%
Community Infrastructure	CI District	CFS Reserves Ohau river tracks improvements	LTP Project	263,175.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Aquatic Centres Foxton Building Renewals	LTP Project	267,037.67	0.00%	100.00%
Community Infrastructure	CI District	CFS Aquatic Centres Levin - Splash Pad	LTP Project	313,496.50	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Levin Adventure Park Renewals	LTP Project	322,478.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Waikawa Beach Pedestrian Bridge	LTP Project	341,340.90	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Mobile Library	LTP Project	371,289.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Shannon - Extension	LTP Project	485,100.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Manakau - Extension	LTP Project	497,250.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Reserves Stream management plan	LTP Project	657,491.20	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Forestry Target Reserve	LTP Project	660,479.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Beautification Revoked SH1 Beautification	LTP Project	681,140.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Foxton Beach Reserves (FHA)	LTP Project	700,000.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Foxton - Development	LTP Project	705,675.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Sportsgrounds Playford Park - Improvements	LTP Project	761,955.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Sportsgrounds Shannon Domain - Grandstand strengthening and fit out	LTP Project	793,585.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Beautification Oxford Street Beautification (Transforming Taitoko)	LTP Project	924,858.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Cemeteries Cemetery - Avenue Rd - Development	LTP Project	1,035,845.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Aquatic Centres Foxton Aquatic Centre Plan Renewals	LTP Project	1,058,643.37	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Activity Renewal	LTP Project	1,069,370.05	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Activity Renewals	LTP Project	1,143,717.30	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Coastal reserve resiliency program	LTP Project	1,262,800.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Aquatic Centres Levin Building Renewals	LTP Project	1,370,507.54	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves District fencing contingency	LTP Project	1,433,112.30	25.00%	75.00%

Community Infrastructure	CI District	CFS Sportsgrounds Shannon Domain - Lighting	LTP Project	1,625,080.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Building Renewals - Te Awahou Nieuwe Stroom	LTP Project	2,038,544.58	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves District play equipment	LTP Project	2,264,779.70	25.00%	75.00%
Community Infrastructure	CI District	CFS Aquatic Centres Foxton Pool Redevelopment	LTP Project	2,629,700.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Tara ka Reserves	LTP Project	2,973,667.00	75.00%	25.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Building Renewals- Te Takeretanga o Kura-hau-po	LTP Project	3,149,110.02	0.00%	100.00%
Community Infrastructure	CI District	CFS Public Toilets Public toilets - Major renewals	LTP Project	3,248,951.00	25.00%	75.00%
Community Infrastructure	CI District	CFS Reserves Reserves renewals (buildings)	LTP Project	3,686,888.12	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Poas Road Lake Reserve	LTP Project	3,747,600.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Aquatic Centres Levin Aquatic Centre Plan Renewals	LTP Project	3,914,142.15	0.00%	100.00%
Community Infrastructure	CI District	CFS Sportsgrounds Sportsgrounds renewals (buildings)	LTP Project	5,297,746.88	0.00%	100.00%
Community Infrastructure	CI District	CFS Libraries and Community Centres Library inventory	LTP Project	12,259,121.15	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Reserves renewals (Non - building)	LTP Project	24,304,707.50	25.00%	75.00%
Community Infrastructure	CI District	CINF Reserves Strategic parks development - Reserve development for growth	LTP Project	24,991,625.00	25.00%	75.00%
Community Infrastructure	CI District	CF Aquatic Centres Strategic and growth related aquatics projects	LTP Project	24,991,625.00	0.00%	100.00%
Community Infrastructure	CI District	CFS Reserves Tara ka Reserves	LTP Project	4,033,333.00	75.00%	25.00%
	CI District Total			145,815,851.44		
Community Infrastructure Total				145,815,851.44		

Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Land Transport	LT District	RDG Subsidised Roothing Unsealed Roads Metalling	LTP Project	1,683,535.91	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Structures Component Replacements	LTP Project	3,037,949.06	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Bridge and structures renewals	LTP Project	3,859,805.80	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Subsidised Roothing - Gladstone Road Realignment	LTP Project	5,000,000.00	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Drainage Renewals	LTP Project	8,160,605.97	0.00%	100.00%
Land Transport	LT District	RDG Footpaths Footpath Improvements	LTP Project	13,094,148.22	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Traffic Services	LTP Project	14,575,621.87	0.00%	100.00%
Land Transport	LT District	RDG Footpaths Footpath renewal	LTP Project	19,193,145.51	9.98%	90.02%
Land Transport	LT District	RDG Subsidised Roothing Subsidised Roothing - Minor improvements	LTP Project	20,501,515.67	9.98%	90.02%
Land Transport	LT District	RDG Subsidised Roothing Subsidised Roothing - Road improvements due to O2NL	LTP Project	30,511,500.00	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Subsidised Roothing - Road improvements	LTP Project	39,892,737.87	9.98%	90.02%
Land Transport	LT District	RDG Shared Pathways Shared pathways - Cycle facilities	LTP Project	40,653,033.47	9.98%	90.02%
Land Transport	LT District	RDG Subsidised Roothing Subsidised Roothing - Sealed Road Pavement Rehabilitation	LTP Project	55,436,682.95	0.00%	100.00%
Land Transport	LT District	RDG Subsidised Roothing Sealed Roads Resurfacing	LTP Project	55,717,770.03	0.00%	100.00%
	LT_District Total			311,318,052.33		
Land Transport	LT Taraika layer	RDG Shared Pathways Taraika - Active Transport Infrastructure	LTP Project	300,000.00	75.00%	25.00%
Land Transport	LT Taraika layer	RDG Unsubsidised Roothing Taraika - Cambridge - Liverpool Intersection	LTP Project	666,667.00	50.00%	50.00%
Land Transport	LT Taraika layer	RDG Unsubsidised Roothing Taraika - Liverpool St Connection	LTP Project	2,000,000.00	50.00%	50.00%
Land Transport	LT Taraika layer	RDG Unsubsidised Roothing Taraika - Tararua Road Intersection Upgrade	LTP Project	4,000,000.00	25.00%	75.00%
Land Transport	LT Taraika layer	RDG Shared Pathways Taraika - Active Transport Infrastructure	LTP Project	600,000.00	75.00%	25.00%
Land Transport	LT Taraika layer	RDG Unsubsidised Roothing Taraika - Cambridge - Liverpool Intersection	LTP Project	1,333,333.00	50.00%	50.00%
Land Transport	LT Taraika layer	RDG Unsubsidised Roothing Taraika - Liverpool St Connection	LTP Project	4,000,000.00	50.00%	50.00%
	LT Taraika layer Total			12,900,000.00		
Land Transport Total				324,218,052.33		

Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Other Activities	OT Activities	SW Landfill Landfill Gas Flare renewals	LTP Project	10,000.00	0.00%	100.00%
Other Activities	OT Activities	CS Economic Development Economic Development assets	LTP Project	10,000.00	0.00%	100.00%
Other Activities	OT Activities	CS Emergency Management New Portable Generator - Emergency Management	LTP Project	10,974.50	0.00%	100.00%

Other Activities	OT Activities	PROP General Property Pottery shed replace roof	LTP Project	17,000.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal - Dog Pound shade and kennel repairs	LTP Project	20,000.00	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Dog pound office building renewal	LTP Project	21,000.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal Control - Stock pound fencing & stock loading ramp	LTP Project	21,434.00	0.00%	100.00%
Other Activities	OT Activities	CS District Communication Website Development	LTP Project	22,924.20	0.00%	100.00%
Other Activities	OT Activities	SW Landfill Unplanned small landfill maintenance	LTP Project	24,996.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal Control - Dog Pound facility refurb investigation costs	LTP Project	25,625.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal Control - Dog Pound driveway concreting	LTP Project	27,382.50	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Levin Depot yard reseal	LTP Project	29,000.00	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Levin Depot buildings renewals & repaint	LTP Project	33,000.00	0.00%	100.00%
Other Activities	OT Activities	P&R Parking Parking - Body worn video equipment	LTP Project	34,992.80	0.00%	100.00%
Other Activities	OT Activities	SW Waste Transfer Station Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)	LTP Project	46,000.00	0.00%	100.00%
Other Activities	OT Activities	CS Emergency Management VHF Digital Radio Upgrade Project - Emergency Management	LTP Project	48,616.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal Control - Body worn video equipment	LTP Project	53,316.40	0.00%	100.00%
Other Activities	OT Activities	CS District Communication Boundary Sign	LTP Project	53,892.30	0.00%	100.00%
Other Activities	OT Activities	CS Community Development Facility signage	LTP Project	58,791.60	0.00%	100.00%
Other Activities	OT Activities	T&S Customer Services Front of house reception remodel	LTP Project	69,527.70	0.00%	100.00%
Other Activities	OT Activities	T&S Customer Services Front of house furniture renewal	LTP Project	71,342.00	0.00%	100.00%
Other Activities	OT Activities	CS Community Development Christmas Lights	LTP Project	109,420.65	0.00%	100.00%
Other Activities	OT Activities	CS District Communication Flags	LTP Project	127,279.70	0.00%	100.00%
Other Activities	OT Activities	P&R Parking Parking - Mobile ticket devices	LTP Project	131,223.00	0.00%	100.00%
Other Activities	OT Activities	T&S Finance Management EDRMS upgrade	LTP Project	157,290.00	0.00%	100.00%
Other Activities	OT Activities	P&R Parking Parking - Meter Upgrades	LTP Project	197,412.00	0.00%	100.00%
Other Activities	OT Activities	SW Waste Transfer Station Renewal works at Foxton Transfer Station	LTP Project	244,985.00	0.00%	100.00%
Other Activities	OT Activities	T&S Information Technology Network components	LTP Project	247,280.00	0.00%	100.00%
Other Activities	OT Activities	T&S Information Technology Replacement of monitors/ screens	LTP Project	247,280.00	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Community buildings programmed renewals	LTP Project	253,675.00	0.00%	100.00%
Other Activities	OT Activities	T&S Finance Management Implementation of Digital Strategy	LTP Project	309,380.00	0.00%	100.00%
Other Activities	OT Activities	SW Landfill Solid Waste property renewals	LTP Project	327,257.02	0.00%	100.00%
Other Activities	OT Activities	PROP General Property 260 Gladstone Road subdivision	LTP Project	400,000.00	0.00%	100.00%
Other Activities	OT Activities	SW Landfill Leachate remedial option / work	LTP Project	427,412.00	0.00%	100.00%
Other Activities	OT Activities	P&R Parking Parking - Meter Replacement	LTP Project	463,200.00	0.00%	100.00%
Other Activities	OT Activities	T&S Information Technology Mobile phone replacement programme	LTP Project	494,560.00	0.00%	100.00%
Other Activities	OT Activities	P&R Animal Control Animal Control - Dog Pound facility refurb	LTP Project	535,850.00	0.00%	100.00%
Other Activities	OT Activities	T&S Finance Management Purchase of aerial imagery	LTP Project	660,115.40	0.00%	100.00%
Other Activities	OT Activities	PROP Endowment Endowment Subdivision Forbes Rd extension	LTP Project	800,000.00	0.00%	100.00%
Other Activities	OT Activities	SW Landfill Cap Shape Correction	LTP Project	978,565.00	0.00%	100.00%
Other Activities	OT Activities	SW Recycling Wheelie Bins & glass crates	LTP Project	1,036,090.32	0.00%	100.00%
Other Activities	OT Activities	T&S Finance Management Authority development	LTP Project	1,236,400.00	0.00%	100.00%
Other Activities	OT Activities	T&S Finance Management Technology advancement and Improvements	LTP Project	1,257,372.00	0.00%	100.00%
Other Activities	OT Activities	SW Landfill Landfill Development (gas collection & ongoing capping)	LTP Project	2,190,033.00	0.00%	100.00%
Other Activities	OT Activities	T&S Information Technology Replacement of computing devices (laptops/ terminals/ desktops)	LTP Project	2,554,744.00	0.00%	100.00%
Other Activities	OT Activities	T&S Financing Adjustment of Carryovers	LTP Project	2,968,783.73	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Waitarere Beach Surf life club saving design and build	LTP Project	3,157,999.93	0.00%	100.00%
Other Activities	OT Activities	RCL Sustainable Growth Plan Levin Town Centre strategy activation projects	LTP Project	3,499,999.89	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Strategic land purchases	LTP Project	4,619,550.00	0.00%	100.00%
Other Activities	OT Activities	T&S Business Excellence Fleet Vehicles	LTP Project	5,190,607.70	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Poads Road quarry	LTP Project	15,310,250.00	0.00%	100.00%
Other Activities	OT Activities	PROP General Property Property renewals program	LTP Project	19,087,178.62	0.00%	100.00%
	OT Activities Total			69,931,008.96		
Other Activities Total				69,931,008.96		

Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Stormwater	SW District	STW Stormwater Lake Horowhenua water quality improvement project - wetland/riparian planting (Levin & Foxton)	LTP Project	614,535.00	0.00%	100.00%
Stormwater	SW District	STW Stormwater Districtwide pump stations - Planned renewals	LTP Project	654,022.50	0.00%	100.00%
Stormwater	SW District	STW Stormwater Actions from Catchment Management Plans	LTP Project	3,500,811.60	25.00%	75.00%
Stormwater	SW District	STW Stormwater Districtwide reticulation renewals	LTP Project	4,233,408.00	50.00%	50.00%
Stormwater	SW District	STW Stormwater Districtwide improvement works	LTP Project	8,207,640.00	50.00%	50.00%
	SW_District Total			17,210,417.10		
Stormwater	SW Foxton	STW Stormwater Foxton East Drainage Scheme	LTP Project	504,000.00	0.00%	100.00%
	SW Foxton Total			504,000.00		
Stormwater	SW Foxton Beach	STW Stormwater Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatu River Estuary	LTP Project	134,664.00	0.00%	100.00%
Stormwater	SW Foxton Beach	STW Stormwater Development Planning and resource consenting Foxton Beach	LTP Project	234,845.00	50.00%	50.00%
	SW_Foxton Beach Total			369,509.00		
Stormwater	SW_Levin (Including Tara ka)	STW Stormwater Queen St discharge & resource consent	LTP Project	348,000.00	0.00%	100.00%
Stormwater	SW_Levin (Including Tara ka)	STW Stormwater Levin North East Stormwater drainage	LTP Project	4,628,765.00	22.87%	77.13%
Stormwater	SW_Levin (Including Tara ka)	STW Stormwater Lake Horowhenua Stormwater	LTP Project	6,677,101.00	0.00%	100.00%
	SW_Levin (Including Taraika) Total			11,653,866.00		
Stormwater	SW Taraika layer	STW Stormwater Taraika growth area	LTP Project	2,141,417.00	80.54%	19.46%
Stormwater	SW Taraika layer	STW Stormwater Taraika growth area	LTP Project	2,583,333.00	100.00%	0.00%
	SW_Taraika layer Total			4,724,750.00		
Stormwater Total				34,462,542.10		






Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Wastewater	WW Foxton	WW Foxton Foxton wastewater treatment plant - Strategic upgrade	LTP Project	1,300,000.00	6.00%	94.00%
Wastewater	WW Foxton	WW Foxton Foxton wastewater treatment plant - Planned renewals	LTP Project	1,748,162.80	6.00%	94.00%
Wastewater	WW Foxton	WW Foxton Foxton wastewater treatment plant - Pond desludge	LTP Project	2,321,770.00	6.00%	94.00%
Wastewater	WW Foxton	WW Foxton Foxton Reticulation Renewals	LTP Project	7,986,390.00	6.00%	94.00%
	WW Foxton Total			13,356,322.80		
Wastewater	WW Foxton Beach	WW Foxton Beach Foxton Beach - Reticulation renewals	LTP Project	3,137,343.00	25.00%	75.00%
Wastewater	WW Foxton Beach	WW Foxton Beach Foxton Beach wastewater treatment plant - Planned renewals	LTP Project	3,535,361.40	25.00%	75.00%
	WW Foxton Beach Total			6,672,704.40		
Wastewater	WW_Levin (Including Tara ka)	WW Levin Districtwide - Marae wastewater assessment & upgrade	LTP Project	259,200.00	0.00%	100.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Districtwide - WTP & WWTP structural improvements	LTP Project	300,000.00	0.00%	100.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Wastewater property renewals	LTP Project	478,295.17	0.00%	100.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Districtwide pump stations - improvement & resilience	LTP Project	3,341,956.30	31.00%	69.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Districtwide - Reticulation unplanned renewals	LTP Project	4,094,129.60	25.00%	75.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin NE Growth Wastewater reticulation	LTP Project	4,508,140.00	62.50%	37.50%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin wastewater treatment plant - Renewals	LTP Project	14,846,280.00	25.00%	75.00%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin reticulation upgrade - growth	LTP Project	22,421,040.00	62.50%	37.50%

Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin Treated Eff. Discharge - Strategic upgrade POT	LTP Project	30,429,679.81	61.42%	38.58%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin wastewater treatment plant - Strategic Upgrade	LTP Project	33,578,000.00	62.50%	37.50%
Wastewater	WW_Levin (Including Tara ka)	WW Levin Levin - Reticulation renewals	LTP Project	53,056,550.00	25.00%	75.00%
WW Levin (Including Taraika) Total				167,313,270.88		
Wastewater	WW Ohau	WW Ohau Ohau future supply of wastewater services	LTP Project	16,665,710.00	100.00%	0.00%
WW Ohau Total				16,665,710.00		
Wastewater	WW_Shannon/Mangaore	WW Shannon Shannon reticulation - Infiltration&Inflow	LTP Project	150,000.00	0.00%	100.00%
Wastewater	WW_Shannon/Mangaore	WW Shannon Shannon wastewater treatment plant - Planned renewals	LTP Project	3,058,788.50	0.00%	100.00%
WW Shannon/Mangaore Total				3,208,788.50		
Wastewater	WW Taraika layer	WW Levin Levin Taraika growth area - wastewater	LTP Project	7,522,500.00	47.59%	52.41%
WW Taraika layer Total				7,522,500.00		
Wastewater	WW Tokomaru	WW Tokomaru Tokomaru reticulation - Infiltration&Inflow	LTP Project	150,000.00	0.00%	100.00%
Wastewater	WW Tokomaru	WW Tokomaru Tokomaru wastewater treatment plant - Planned renewals	LTP Project	1,184,491.60	0.00%	100.00%
Wastewater	WW Tokomaru	WW Tokomaru Tokomaru wastewater - treated effluent disposal options & consents	LTP Project	8,929,050.00	0.00%	100.00%
WW Tokomaru Total				10,263,541.60		
Wastewater	WW Waitarere Beach	WW Waitarere Beach Waitarere Beach wastewater treatment plant - Strategic upgrade	LTP Project	2,077,500.00	62.50%	37.50%
Wastewater	WW Waitarere Beach	WW Waitarere Beach Waitarere Beach wastewater treatment plant - Planned renewals	LTP Project	4,087,190.00	18.50%	81.50%
WW Waitarere Beach Total				6,164,690.00		
Wastewater Total				231,167,528.18		

Activity	DCP Catchment	Project name	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
Water supply	WS_Foxton	WS Foxton Foxton - resource consents expiring 2028	LTP Project	748,761.24	6.00%	94.00%
Water supply	WS_Foxton	WS Foxton Foxton water treatment plant - Renewals	LTP Project	2,294,831.00	6.00%	94.00%
Water supply	WS_Foxton	WS Foxton Foxton reticulation - Renewals	LTP Project	10,913,733.00	6.00%	94.00%
WS_Foxton Total				13,957,325.24		
Water supply	WS_Foxton Beach	WS Foxton Beach Foxton Beach treatment plant - Renewals	LTP Project	1,854,891.00	25.00%	75.00%
Water supply	WS_Foxton Beach	WS Foxton Beach Foxton Beach reticulation - Renewals	LTP Project	9,419,757.00	25.00%	75.00%
WS_Foxton Beach Total				11,274,648.00		
Water supply	WS_Levin (Including Tara ka)	WS Levin Districtwide - Marae water treatment assessment & upgrade	LTP Project	259,200.00	0.00%	100.00%
Water supply	WS_Levin (Including Tara ka)	WS Levin Levin WTP - resilience (secondary pipeline from River to WTP)	LTP Project	385,600.00	6.00%	94.00%
Water supply	WS_Levin (Including Tara ka)	WS Levin Water Supply property renewals	LTP Project	924,817.04	0.00%	100.00%
Water supply	WS_Levin (Including Tara ka)	WS Levin Reactive renewals - District wide	LTP Project	1,221,550.00	25.00%	75.00%
Water supply	WS_Levin (Including Tara ka)	WS Levin Taraika - Water Reticulation	LTP Project	2,380,500.00	26.69%	73.31%
Water supply	WS_Levin (Including Tara ka)	WS Levin Levin growth area	LTP Project	15,519,744.10	62.50%	37.50%
Water supply	WS_Levin (Including Tara ka)	WS Levin Alternative water source for Levin	LTP Project	18,300,980.00	62.50%	37.50%
Water supply	WS_Levin (Including Tara ka)	WS Levin Levin reticulation - Renewals	LTP Project	29,345,430.00	25.00%	75.00%
WS_Levin (Including Taraika) Total				68,337,821.14		
Water supply	WS_Ohau	WS Ohau Ohau future water supply services option	LTP Project	16,362,390.00	100.00%	0.00%
WS Ohau Total				16,362,390.00		
Water supply	WS_Shannon/Mangaore	WS Shannon Shannon resource consent renewal	LTP Project	199,200.00	0.00%	100.00%

Water supply	WS_Shannon/Mangaore	WS Shannon Shannon Treatment Plant - Renewals	LTP Project	2,529,310.50	0.00%	100.00%
Water supply	WS_Shannon/Mangaore	WS Shannon Shannon/Mangaore - reticulation - Renewals	LTP Project	5,157,807.80	0.00%	100.00%
WS_Shannon/Mangaore Total				7,886,318.30		
Water supply	WS_Tokomaru	WS Tokomaru Tokomaru treatment plant - Renewals	LTP Project	865,639.00	0.00%	100.00%
WS_Tokomaru Total				865,639.00		
Water supply	WS_Waitareere Beach	WS Waitareere Beach Firefighting reservoir capacity increase - tanks (Waitareere Beach/Waikawa/Hokio Beach)	LTP Project	124,800.00	0.00%	100.00%
Water supply	WS_Waitareere Beach	WS Waitareere Beach Waitareere Beach future water supply services option	LTP Project	23,715,115.00	100.00%	0.00%
WS_Waitareere Beach Total				23,839,915.00		
Water supply Total				142,524,056.68		
Grand Total				948,119,039.68		



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File No.: 22/400

7.6 Three Waters Reform Better Off Funding

1. Purpose

The purpose of this report is for Council to receive information related to the Three Waters Better off Funding, and to provide guidance and direction on those projects that Council should support and endorse for funding.

2. Recommendation

- 2.1 That Report 22/400 Three Waters Reform Better Off Funding be received.
- 2.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 2.3 That Council endorse the Three Waters Reform Better off Funding “Principles” used to guide decision making on how the funding will be allocated.
- 2.4 That Council endorse the shortlist of Projects to be progressed into a funding proposal for final consideration at the September Council meeting.
- 2.5 That Council ask the Chief Executive to continue conversation with Iwi/Hapu on the shortlisted Projects, and progress input and feedback into the final report for the September Council meeting.

3. Background / Previous Council Decisions

At the moment, councils across NZ are responsible for delivering drinking water, wastewater (sewage treatment) and stormwater services for their communities.

Councils also own and manage the assets needed to deliver these services.

The Government’s Three Waters Reform proposal is to create four new organisations – known as entities - that would manage and deliver water services instead of Councils.

Horowhenua would be part of Entity C, covering the lower eastern side of the North Island and part of the top of the South Island.

Water assets that Horowhenua District Council currently owns would be transferred to Entity C, and that organisation would manage those assets for our community.

The Government has made funding available to councils as part of the Three Waters Reform in recognition of the significance of the transfer of assets and responsibility for water service delivery.

The ‘Better Off’ funding is focused on community wellbeing.

Funding has been allocated based on population size, deprivation index ratings and land area.

For Horowhenua District Council, around \$19.95 million is available over two funding rounds. – Applications for Tranche 1 close on 30 September 2022 - \$4.99 million is available. This is what we are considering now.

Tranche 2 opens in July 2024 - \$14.96 will be available.

4. Discussion

Projects and initiatives must provide value for money, demonstrate wellbeing outcomes and meet at least one of the following criteria:

- supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards
- delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield (land previously built on) and infill development opportunities where those are available
- delivery of infrastructure and/or services that support local place-making and improvements in community wellbeing.

They must also be:

- new projects and initiatives OR existing ones we already have planned that could be
- scaled up or accelerated
- Completed on or before 30 June 2027.

Applying for the funding does not necessarily mean that we support the Three Waters Reforms.

Three Waters Reform is mandatory for councils. That means we must participate whether we agree with it or not.

Horowhenua District Council has supported the Communities 4 Local Democracy. This group wants to make sure that reforms meet the needs of communities, Councils and the government. They are seeking alternatives to what the government has proposed.

The 'Better Off' funding has been allocated for us whether we choose to submit a proposal now or later.

Applying in Tranche 1 means we will be able to get on with delivering projects that will improve wellbeing for our community.

If we don't apply for funding in Tranche 1, the \$3.88 million that is available now would be carried forward to Tranche 2, which is scheduled to open in July 2024. However, there is a risk that there could be changes by then.

The next general election must take place no later than 13 January 2024. Some political parties have indicated that they would overturn the Three Waters Reform if they were elected to government – so if there was a change of government, there could also be changes to the Three Waters Reform and to the 'Better Off' Funding.

5. Options

In thinking about how Council might allocate the funding, and the broad range of projects that Council could fund with the better off funding, an attempt has been made to provide some guiding principles to assist Council in the decision making.

This report seeks to provide Council with draft principles that will assist Council in the decision making process:

- Priority will be given to projects that fall within those areas of the District that pay targeted Water Rates
- Priority will be given to those projects that will not fall under the jurisdiction of the new Water Services Entity
- Priority will be given to new projects and initiatives, or existing projects that are already underway but have the potential to be scaled up or accelerated

- Council will aim to ensure that funding is spread across the District
- A project cannot be allocated more than half the total amount available in total
- Only projects that have a broader linkage to the next stage of the better off funding, could receive more than 500k from the Better off Funding

It should be noted that applications initially closed on 30 September 2022, however the application date has not been extended until December 2022. It is our advice that we should still progress with the September 2022 timeframe in order to ensure the Induction process of a new Council does not impact a potential December 2022 timeframe.

Recently work has commenced on the development of a short list of projects we think would best fit the available funding and criteria for Tranche 1. Some of the projects on our short-list are new. These are things that our community have asked for in submissions and through feedback. Others are things that we already have planned but could do sooner, or better, with additional funding. We also need to balance the range of projects and make sure we can deliver the programme.

Recently a dragons-den styled session took place. At this session, Council Officers and Elected Members presented a range of projects for consideration.

The following projects were presented, and as a result of the feedback are now progressing for further discussion:

Green light status projects received wide support, Orange status project received support but Elected Members felt like further discussion was required, or some of the projects have been added since the session and no discussion has occurred (*)

A summary of the projects will be presented at the Council meeting via a presentation.

Project	Amount	Status
Ohau River Picnic Park – Poads Road	\$150,000	
Parateo Gardens Development – Foxton Futures	\$1,200,00	
Keep em Dry – Bus Shelters	\$80,000	
Private Fire Fighting Water Tank Fund	\$250,000	
Waitarere Surf Club Development	\$600,000	
Levin Town Center Development	\$2,000,000	
Trig Mountain Bike Track Improvements	\$100,000	
Lake Punahou Development Plan	\$80,000	
Resource Consenting Planning Software	\$300,000	Progress within Operational Budgets
Procurement and Contract Management Software	\$50,000	Progress within Operational Budgets
Community Hub and Marae Co-design	\$500,000	
Alcohol Ban Bilingual Signage	\$25,000	

Manakau Domain Shared Pathways	\$400,000	
Stafford Street Reserve Improvement Plan	\$200,000	
Levin Dump Station	\$200,000	
Levin Dog Park	\$400,000	
Events and Destination Management Strategy	\$400,000	
Te Awahou Riverside Cultural Park Sculpture	\$100,000	
Ngā Pou Tūrama a Matariki	\$378,000	
Foxton Tram Display Centre	\$130,000	
Wairarawa Stream	\$400,000	
Rural Hall Drinking Water*	\$500,000	
Foxton Aquatic Centre*	\$1,000,000	
Shared Pathways District Wide *	\$300,000	
Te Marie Park Development *	\$500,000	
Levinable Project*	\$300,000	
	TOTAL	\$6,560,500.00
	TOTAL	\$3,610,000.00
	TOTAL X 2	\$10,170,500.00

Prioritisation of what is a long list of projects is an important step for Council to move forward. Without specific direction, our ability to develop a compelling proposal will be compromised. This will require Council to narrow down the number of projects that progress. Ideally Elected Members would confirm those projects to be classed as priorities by giving them a “green” status.

This will not be the final opportunity for Council to influence the outcome of the better off funding proposal, but is a key milestone in narrowing those projects that we will now progress to develop a more comprehensive funding proposal.

5.1 Cost

There are no cost impacts from this specific report, but nothing that each project will have its own cost impacts.

5.1.1 Rate Impact

There are no rates impacts from this specific report, but nothing that some projects will have a rates impact.

5.2 Community Wellbeing

All of the projects presented, no doubt support community outcomes and ultimately enhance the wellbeing of our District. The 'Better Off' funding is focused on community wellbeing.

5.3 Consenting Issues

There are no Consents required nor consenting issues raised.

5.4 LTP Integration

There is no LTP programme related to this report. There is no Special Consultative Processes required.

6. Consultation

While no formal consultation is required for this report, it is upon Council to engage with Iwi/Hapu on intentions and ideas for how they use Tranche 1 of the better off funding. Tranche 2 of the better off funding is to be developed in partnership with Iwi/Hapu. Councils discussions with Iwi/Hapu to date have been limited on the broader options, however noting that a number of the projects have existing Iwi/Hapu engagement.

7. Legal Considerations

There are no specific legal considerations.

8. Financial Considerations

There are no specific financial considerations beyond the financial case for each individual project.

9. Iwi Considerations

Iwi / Hapu engagement and partnership is necessary for Council to obtain tranche 2 of the better off funding. Council have begun discussions with Iwi/Hapu on tranche 1 of the better off funding, and some of the projects have specific partnership opportunities which will be explored further.

10. Climate Change Considerations

There are no specific climate change considerations beyond those projects which present connection to climate change action.

11. Environmental Considerations

There are no specific environmental considerations beyond those projects which present enhancement to environmental wellbeing.

12. Health & Safety Considerations

There are no specific health and safety considerations.

13. Other Considerations

There are no other considerations.

14. Next Steps

Once Council have endorsed the guiding principles which will guide decision making on how the funding should be allocated, and agreed to those projects shortlisted for development of a funding proposal, Officers will progress the application and proposals for the better off funding.

Officers will return with a more developed funding proposal, for Council to support and approve at the September Council meeting. Following that Council will submit its funding application.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:


- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and

preferences of affected and interested parties bearing in mind the significance of the decision.

15. Appendices

There are no appendices for this report

Author(s)	Monique Davidson Chief Executive Officer	
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Approved by	Monique Davidson Chief Executive Officer	
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File No.: 22/377

7.7 Adoption of Alcohol Control Bylaw 2022

1. Purpose

The purpose of this report is to present to Council the Horowhenua District Council Alcohol Control Bylaw 2022 for adoption.

2. Executive Summary

Council consulted on this bylaw using the special consultative procedure with submissions closing on 22 July 2022. Seven (7) submissions were received and a summary of these submissions along with officer comment is included in section 5 in this report.

3. Recommendation

- 3.1 That Report 22/377 Adoption of Alcohol Control Bylaw 2022 be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 The Council confirms that
 - a. A bylaw is the most appropriate way of addressing the issues relating to the management of alcohol in public spaces;
 - b. The level of crime and disorder experienced before the bylaw was made is likely to return if the bylaw was revoked;
 - c. The Alcohol Control Bylaw 2022 as attached as **Attachment A** is the most appropriate form of a bylaw; and
 - d. The Alcohol Control Bylaw 2022 is not inconsistent with the New Zealand Bill of Rights Act 1990.
- 3.4 That Council resolves to extend the alcohol ban area in Waikawa Beach to include Reay Mackay Grove as depicted in **Attachment B**, and
- 3.5 That Council adopts the Alcohol Control Bylaw 2022 as attached as **Attachment A** as an operative bylaw of Council effective 11 August 2022 and in doing so repeals the Alcohol (Liquor) Bylaw 2015 effective 11 August 2022.

4. Background / Previous Council Decisions

- 4.1 The Alcohol (Liquor) Bylaw was adopted in May 2016 and due for review. The review of this bylaw is part of the continuing review process required for current bylaws.
- 4.2 At the 8 June 2022 meeting of Council it was resolved to consult on the review of this bylaw using the special consultative procedure and submissions closed on 22 July 2022.
- 4.3 Seven (7) submissions were received at the conclusion of the public consultation period and are attached as Attachment C. This report provides a summary to the submissions received along with officer comment, with the view that Council considers the recommended changes proposed in this report as part of the adoption of this bylaw process.

5. Discussion

- 5.1 The primary purpose of this bylaw is to enhance safety and the public enjoyment of public places in a reasonable manner by providing for alcohol control in specified areas to reduce the incidence of alcohol-related harm.
- 5.2 Sections 147 and 147A of the LGA provides the criteria that must be considered when making and continuing bylaws, and it is therefore prudent Council considers the matters raised in section 147A (3) of the LGA as part of their decision-making process. Section 147(3) states that a territorial authority must be satisfied that:
- the bylaw can be justified as a reasonable limitation on people's rights and freedoms; and
 - a high level of crime and disorder (being crime and disorder caused or made worse by alcohol consumption in the area concerned) is likely to arise in the area to which the bylaw is intended to apply if the bylaw is not made; and
 - the bylaw is appropriate and proportionate in the light of that likely crime or disorder.
- 5.3 Public consultation was carried out on the proposed bylaw through the use of Council's Bang the Table engagement platform, through targeted consultation with special interest groups including the Community Wellbeing Committee, Iwi partners, Horowhenua Police, MidCentral Public Health, New World Levin and Pak'n'Sav mini Levin. The consultation period extended from 13 June 2022 through to 22 July 2022.
- 5.4 Seven (7) submissions were received at the conclusion of the public consultation period and are attached to this report as Attachment C.

This report provides a summary to the submissions received along with officer comment, with the view that Council considers the recommended changes proposed in this report as part of the adoption of this bylaw process.

- Two (2) of the submissions received suggested that there be less alcohol and alcohol bottles everywhere.

Officer comment: The alcohol control bylaw provides a tool for controlling alcohol in specified public places with the intent to reduce the incidence of alcohol-related harm, such as littering of alcohol bottles in public spaces. The submissions therefore indirectly support the existence of the bylaw.

- Two (2) submissions received suggested extended areas to the alcohol ban locations.
 - One (1) submitter suggesting there needs to be an alcohol ban all over Levin.

Officer comment: Officers support the submission to include the extended area in the Waikawa Beach alcohol ban zone. Growth in this area through the subdivision and subsequent residential development of land in this location has progressed since the establishment of this alcohol ban area in 2004. It is logical to include this extension in the Waikawa Beach alcohol ban area. Moreover, evidence has been provided by the submitter of the occurrence of alcohol-related harm in the area.

- One (1) submitter suggested that the alcohol ban area in Waikawa Beach be extended to include Reay Mackay Grove in the Strathnaver area, including the tracks to the beach off Reay Mackay Grove. The submitter provided a photograph of broken alcohol bottles littered on the beach in support of their submission.

Officer comment: The submission to include all of Levin as an alcohol ban area is not supported by Officers.

Giving consideration to the criteria set out in section 147 and 147A of the Local Government Act 2002 (LGA), Officers do not consider that the bylaw can be

justified as a reasonable limitation on people's rights and freedoms, nor that a high level of crime and disorder (being crime and disorder caused or made worse by alcohol consumption in the area concerned) is likely to arise in the area.

Furthermore, the blanket prohibition of alcohol in all public areas in Levin without evidence of the need for alcohol control measures, may give rise to implications under the New Zealand Bill of Rights Act 1990, which provides for a number of rights and freedoms including the freedom of expression, association, peaceful assembly and movement.

c. Four (4) of the submissions received were in support of the alcohol control bylaw, including the submission received from the National Public Health Service, Central Region, Te Pae Hauora o Ruahine o Tararua, MidCentral District, Te Whatu Ora, Health New Zealand submitted (MidCentral Public Health Unit).

One (1) submission was received suggesting an alcohol ban is not necessary.

Officer comment: Officers acknowledge that the majority of submissions received support the bylaw and it is therefore logical to continue with its adoption.

6. Options

6.1 There are four (4) options considered to be appropriate and are detailed below:

Option 1 – Do not continue with the Alcohol Control Bylaw 2022, and in doing so decide to either allow for the expiry of or revocation of the Alcohol (Liquor) Bylaw 2015 due for review. (Not recommended)

This option would result in not having an operative bylaw. Without a bylaw, the Council and Police would have difficulty promoting and maintaining public health and safety by reducing alcohol possession and consumption in public places, supporting Community Wellbeing through the reduction of opportunities/incidences of alcohol-related harm.

Option 2 – Refer the matter back to Officers for further consideration, with a view of bringing a further report to Council with changes. (Not recommended)

This option would require a direction from Council around any changes identified that are to be considered before any subsequent report is tabled.

Option 3 - Council adopts the Alcohol Control Bylaw 2022 as originally drafted and consulted on without the addition of the extension to the Waikawa Beach alcohol control area. (Not recommended)

Option 4 – Council adopts the amended Alcohol Control Bylaw 2022 including the addition of the extension to the Waikawa Beach alcohol control area. (Officer's Preferred Option)

6.2 Cost

Costs in relation to this bylaw are to be absorbed within the existing operational budgets.

6.3 Rate Impact

There will be no Rate impacts arising.

6.4 Community Wellbeing

Without a bylaw, the Council and Police would have difficulty promoting and maintaining public health and safety by reducing alcohol possession and consumption in public places.

Continuing to have an Alcohol Control Bylaw in place will enhance public safety and community wellbeing through providing a mechanism which continues to enable the Council and the Police to control the possession and consumption of alcohol in public places, to reduce alcohol-related harm.

6.5 Consenting Issues

There are no consents required or consenting issues arising.

6.6 LTP Integration

There is no LTP related programme associated with this bylaw.

In making, amending or revoking a bylaw Council must use the Special Consultative Procedure as set out in section 83 of the Local Government Act 2002.

7. Consultation

- 7.1 Public consultation was carried out on the proposed bylaw through the use of Councils Bang the Table engagement platform, through targeted consultation with special interest groups including the Community Wellbeing Committee, Iwi partners, Horowhenua Police, MidCentral Public Health, New World Levin and Pak'n'Sav mini Levin. The consultation period extended from 13 June 2022 through to 22 July 2022.

Seven (7) submissions were received at the conclusion of the public consultation period and are attached to this report (Attachment C).

8. Legal Considerations

- 8.1 As discussed in section 5.2 of this report, Sections 147 and 147A of the LGA provides the criteria that must be considered when making and continuing bylaws, and it is therefore prudent Council considers the matters raised in section 147A (3) of the LGA as part of their decision-making process. Section 147(3) states that a territorial authority must be satisfied that:

- a. the bylaw can be justified as a reasonable limitation on people's rights and freedoms; and
- b. a high level of crime and disorder (being crime and disorder caused or made worse by alcohol consumption in the area concerned) is likely to arise in the area to which the bylaw is intended to apply if the bylaw is not made; and
- c. the bylaw is appropriate and proportionate in the light of that likely crime or disorder.

- 8.2 The process followed and the recommendations proposed have been made to ensure legal requirements have been met.

- 8.3 This bylaw provides the mechanism to enable New Zealand Police to control alcohol in our public places in alcohol ban areas. New Zealand Police have the authority to enforce alcohol ban areas and have powers of arrest, search, and seizure in relation to breaches of alcohol bans. Breaches can be dealt with by way of infringement notices of \$250.00.

Within current resourcing, Council Officers will work with local Police to enable the enforcement of the bylaw, which may include identifying the optimal locations for signage requirements and public education efforts.

9. Financial Considerations

There are no financial considerations. New signage required for alcohol control areas will be covered in current operational budgets.

Current alcohol ban signage throughout the district is dated and in need of replacement. New bilingual signage will be designed to meet Councils brand guidelines, and will be installed as part of the implementation phase of this bylaw.

10. Iwi Considerations

Targeted consultation invitations to submit were sent to all iwi partners in June 2022.

Muaūpoko Tribal Authority responded by requesting a resource to co-ordinate some hui a hapu, however after the offer was made to arrange a meeting at Council to facilitate the discussions it was not progressed by Iwi and the meeting didn't go ahead.

No other Iwi contacts responded to the invitation.

11. Climate Change Considerations

There is no Climate Change impacts.

12. Environmental Considerations

There are no Environmental considerations.

13. Health & Safety Considerations

There is no further discussion to that outlined in the Community Wellbeing section of this report in relation to community health and safety.

14. Other Considerations

14.1 This bylaw sits alongside Councils Public Places Bylaw, which is due for review.

The purpose of the Public Places Bylaw is to protect the public from nuisance which may arise from activities undertaken in public places, ensure public health and safety is maintained, and to regulate and manage occupation and use of public places for trading, entertainment and other activities for the well-being and enjoyment of the public.

Whilst Horowhenua has historically had separate bylaws for each purpose, it is reasonable to deduce that alcohol ban areas could be incorporated into the public places bylaw. Consideration into doing so should be explored during the review process of the public places bylaw.

14.2 The establishment or continuation of alcohol ban areas in the central business districts is unlikely to negatively impact on current or future night time economy, so long as the business is licensed and has the outdoor area included on the alcohol licence for the premises. This is because the alcohol control bylaw expressly informs that the prohibitions do not apply to areas that are included in an alcohol license.

Councils Public Places Bylaw provides the criteria and controls for a food business to obtain permission from Council to offer outdoor dining in our public places.


Confirmation of statutory compliance


In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

15. Appendices

No.	Title	Page
A	Attachment A - Alcohol Control Bylaw 2022 for adoption	179
B	Attachment B - Waikawa Beach Alcohol Ban area - extended	195
C	Attachment C - Alcohol Control Bylaw - Submissions received	196

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	Monique Davidson Chief Executive Officer	
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Alcohol Control Bylaw 2022



1. Preamble

The Horowhenua District Council in pursuance of the powers contained in the Local Government Act 2002, the Bylaws Act 1910 and any other authority enabling the Council in that behalf makes the following Bylaw.

2. Title and Commencement

This Bylaw is the Alcohol Bylaw 2022 and comes into force on 11 August 2022.

3. Application

This bylaw applies to the Horowhenua District.

4. Purpose

The purpose of this bylaw is to enhance public safety and enjoyment of public places by providing for alcohol control in specified public places to reduce the incidence of alcohol-related harm.

The Bylaw is made under the authority of Section 147 of the Local Government Act 2002.

5. Definitions and Interpretation

In this Bylaw, if not inconsistent with the context:

Act means the Local Government Act 2002.

Alcohol has the meaning given by section 5(1) of the Sale and Supply of Alcohol Act 2012.

Alcohol-related harm has the meaning given by section 5(1) of the Sale and Supply of Alcohol Act 2012.

Alcohol Control Area means the public area described in the Schedule One of this Bylaw in which alcohol prohibition are permanently in place during the times, days or dates specified in the Bylaw.

Alcohol prohibition means a prohibition specified in this Bylaw on the consumption of alcohol, the bringing of alcohol into, and the possession of alcohol, in a designated public place (subject to the prescribed exceptions in Section 147(3) of the Local Government Act 2002).

Bylaw means the Alcohol Control Bylaw 2022.

Constable means a Police employee who

- (a) Holds the office of constable (whether appointed as a constable under the Police Act 1958 or the Policing Act 2008); and
- (b) Includes a constable who holds any level of position within the New Zealand Police.

Council means the Horowhenua District Council or any Authorised Officer.

Enforcement Officer means a person appointed by the Council pursuant to s177 of the Local Government Act 2002 to exercise the powers of an Enforcement Officer.

Infringement Fee has the meaning given by section 243 of the Local Government Act 2002.

Infringement Offence has the meaning given by section 243 of the Local Government Act 2002.

Licensed Premises has the meaning given by section 5(1) of the Sale and Supply of Alcohol Act 2012.

Member of the Police means a sworn member of the Police appointed under the Policing Act 2008.

Offence means an offence under Section 239 of the Local Government Act 2002 that is a breach of this bylaw.

Public Place has the meaning given by section 147 of the Local Government Act 2002:

“means

- (a) a place that is open to or is being used by the public, whether free or on payment of a charge, and whether any owner or occupier of the place is lawfully entitled to exclude or eject any person from it; but
- (b) does not include licensed premises.”

Vehicle has the meaning given by section 2(1) of the Land Transport Act 1998.

6. Alcohol Ban Areas

- 6.1 The places listed in Schedule One are designated as an Alcohol Control Area in respect of which the consumption of alcohol, the bringing of alcohol into and the possession of alcohol in those public places is prohibited on the days of the week and during the hours prescribed for each place:

7. Temporary Alcohol Control Areas

- 7.1 Council may from time to time, by resolution make an alcohol ban prohibiting, regulating or controlling the consumption, bringing into, or possession of alcohol in any public place (including in a vehicle) for specified events or for one or more specified periods.
- 7.2 An alcohol ban made under clause 7.1 for specified events or periods must be publicly notified at least 14 days in advance of the specified event or period in accordance with section 170(3) of the Local Government Act 2002.

8. Enforcement Powers under this Bylaw

8.1 Powers of Search

Where Council has resolved to prohibit the consumption or possession of alcohol in any public place, the requirements on Police relating to Search, Seizure and Arrest are detailed in Clause 8.2.

8.2 Powers of Search, Seizure and Arrest

In accordance with section 169(2) and 170 of the Act, a Constable may, without warrant, -

- (a) for the purpose of ascertaining whether alcohol is present, search –
 - (i) a container (for example, a parcel, package, bag, or case) in the possession of a person who is in, or entering, a public place:
 - (ii) a vehicle that is in, or is entering, a public place:
- (b) seize and remove any alcohol and its container if the alcohol is in a public place in breach of a bylaw:
- (c) arrest a person whom the Constable finds committing an offence against this bylaw.
- (d) arrest a person who has refused to comply with a request by a Constable -
 - (i) to leave the public place; or
 - (ii) to surrender to a Constable any alcohol that, in breach of an Alcohol Ban, is in that person's possession.

8.3 Alcohol or a container seized under clause 8.2 is forfeited to the Crown if the person from whom the alcohol or container seized pays the infringement fee.

8.4 Before exercising the power of search under Clause 8.2, a Constable must -

- (a) inform the person in possession of the container or the vehicle, as the case may be, that he or she has the opportunity of removing the container or the vehicle from the public place; and
- (b) provide the person with a reasonable opportunity to remove the container or the vehicle, as the case may be, from the public place.

8.5 Powers to request Name and Address

Any person whom an Enforcement Officer or member of the Police believes on reasonable grounds is committing or has committed an offence against this bylaw fails or refuses when required by the Enforcement Officer or member of the Police to give his/her name and/or address, or give a false name and/or address, he/she shall be guilty of an offence against the Act and liable on conviction to a fine not exceeding \$5,000.

9. Exceptions from this Bylaw for Transportation of alcohol

- 9.1 There is no offence against this Bylaw where alcohol has been purchased from an Off Licensed premises within the Alcohol Control Area, and is being transported in an unopened state from this area.

10. Exceptions from this Bylaw for Licensed Premises

- 10.1 Prohibitions in this Bylaw do not apply -
- (a) Alcohol sold by premises in an alcohol ban area, under the Sale and Supply of Alcohol Act 2012, in an unopened state;
 - (b) Alcohol being transported in an unopened state from premises in an alcohol ban area, licensed for the sale and/or consumption of alcohol under the Sale and Supply of Alcohol Act 2012;
 - (c) Where in compliance with a licence for the sale and/or consumption of alcohol under the Sale and Supply of Alcohol Act 2012, alcohol is allowed to be consumed in the areas that are licensed as part of the alcohol licence where they may be established in an Alcohol Control Area.

11. Power of Waiver, Dispensation and Suspension for Special Events

- 11.1 The Chief Executive of the Horowhenua District Council or his/her nominated representative may, on application by any person including a Council officer, grant a waiver, dispensation or licence to do or refrain from doing anything which would otherwise be in breach of this bylaw for the purpose of enabling possession and/or consumption of alcohol in a public place at the time of any special event.
- 11.2 Such a waiver, dispensation or suspension of operation of any part of this bylaw shall be granted only in respect of specific time periods and specific locations associated with the special event, to enable better enjoyment of the event by members of the public.
- 11.3 In considering any such application, the person responsible for making a decision shall obtain and consider a response from New Zealand Police to the request, including the reasons for that response.
- 11.4 Where any such waiver, dispensation or suspension is granted, public notice of the waiver, dispensation or suspension should be given by public notice advertisement in a daily newspaper circulating the Horowhenua District at least 6 days prior to the commencement of the period when the waiver, dispensation or suspension commences.
- 11.5 A fee or charge may be payable by the applicant to cover any direct costs or outgoings associated with the public notice and/or obtaining a police response to the application under this section. This fee or charge may be refunded, remitted or waived at the discretion of the Chief Executive of the Horowhenua District Council, or his/her nominated representative.
- 11.6 Nothing in this Section over-rides any conditions in the Sale and Supply of Alcohol Act 2012 pertaining to Special Licences requirements.

12. Addition or Deletion of Public Places

- 12.1 Council may add to, amend or revoke an alcohol ban in Schedule 1 by resolution following the use of the special consultative procedure set out in sections 83 and 156 of the Local Government Act 2002.
- 12.2 An alcohol ban made under clause 12.1 must be publicly notified at least 14 days before it takes effect.

13. Signage

- 13.1 Where it is practicable or reasonable to do so, the Council will erect signage within alcohol control areas to provide information to the public about the restrictions. The size, location and content of the signage will be at the Council's discretion.
- 13.2 To avoid any doubt, the absence of signage in any alcohol control area does not authorise a breach of this bylaw.
- 13.3 This clause is subject to any regulations made under section 147C of the Act.

14. Breach of Bylaw and Penalty

14.1 Any person who fails to comply with any control, restriction, limitation or prohibitions contained within or made pursuant to this Bylaw or acts in breach of any provision of this bylaw commits an offence under the Act and is liable to the penalties under the Act.

Explanatory note: Penalties are prescribed under the Local Government (Alcohol Ban Breaches) Regulations 2013.

The infringement fee for breaching an Alcohol ban is currently \$250.00.

The foregoing Bylaw was duly made by the Horowhenua District Council by a resolution passed on the 8 June 2022 and was confirmed following consideration of community submissions received during a special consultation procedure, by a resolution passed on the 10 August 2022.

The Common Seal of the)
HOROWHENUA DISTRICT COUNCIL)
was hereunto affixed in the presence of:)

_____ Mayor

_____ Chief Executive

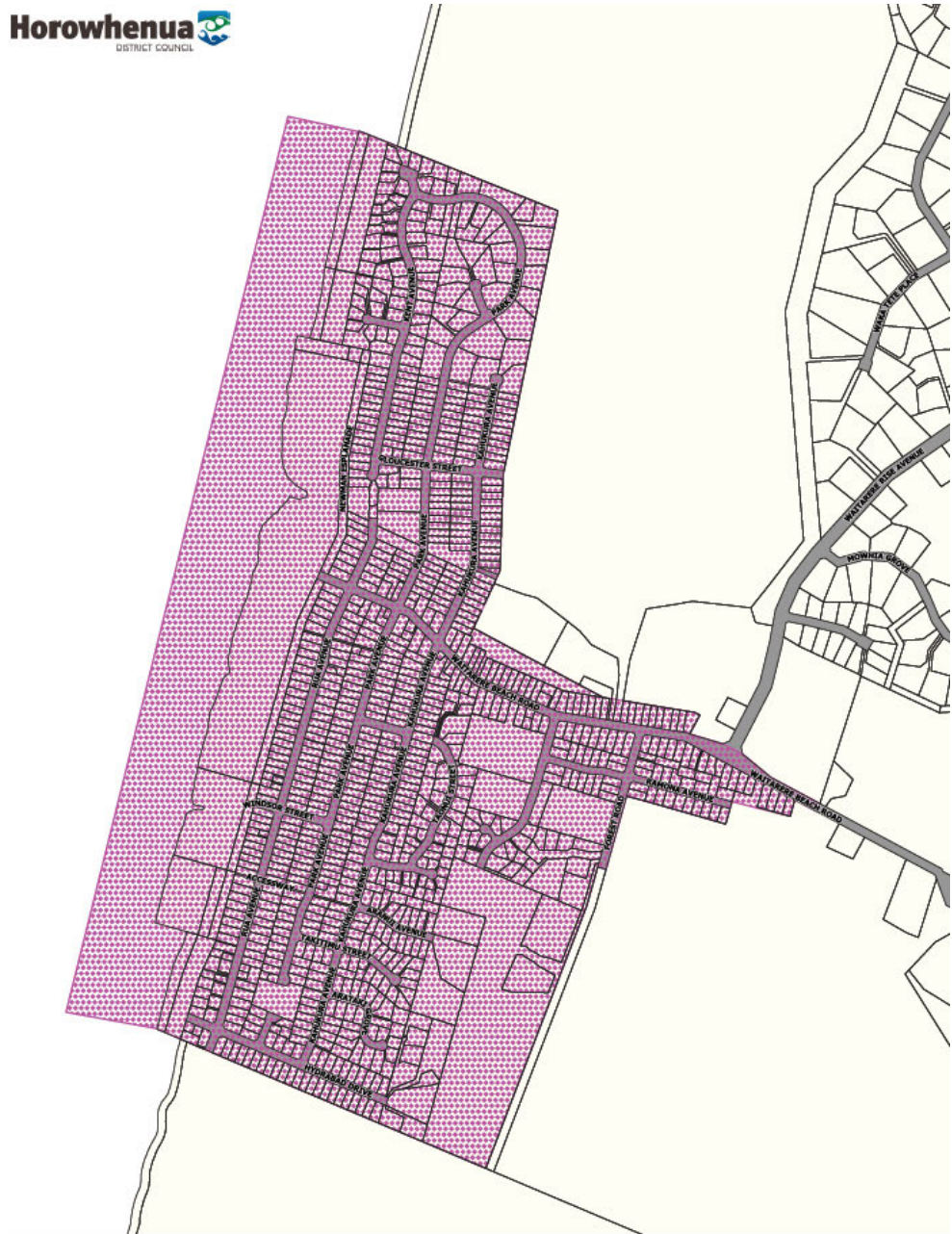
Schedule One – Alcohol Control Areas

Name	Alcohol Control Area	Restriction	Map
Waitarere Beach	This public place is the area known as Waitarere Beach depicted on the map as Appendix 1, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place from: (a) 5.00 pm on Guy Fawkes evening until 7.00 am on the day following, of each year (b) 5.00 pm on New Year's Eve evening until 7.00 am of New Year's Day of each year.	Appendix 1
Foxton Beach	This public place is the area known as Foxton Beach depicted on the map as Appendix 2, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place from: (a) 5.00 pm on Guy Fawkes evening until 7.00 am on the day following, of each year (b) 5.00 pm on New Year's Eve evening until 7.00 am of New Year's Day of each year.	Appendix 2
Hokio Beach	This public place is the area known as Hokio Beach depicted on the map as Appendix 3, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place from: (a) 5.00 pm on Guy Fawkes evening until 7.00 am on the day following, of each year (b) 5.00 pm on New Year's Eve evening until 7.00 am of New Year's Day of each year.	Appendix 3
Waikawa Beach	This public place is the area known as Waikawa Beach depicted on the map as Appendix 4, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place from: (a) 5.00 pm on Guy Fawkes evening until 7.00 am on the day following, of each year (b) 5.00 pm on New Year's Eve evening until 7.00 am of New Year's Day of each year.	Appendix 4

Schedule One continued

Name	Alcohol Control Area	Restriction	Map
Levin CBD	This public place is the area known as Levin CBD depicted on the map as Appendix 5, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified, including the carparks of Levin New World Supermarket, 21 Bath Street, Levin, and Pak'nSave Mini Supermarket, 508 Queen Street, Levin.	Alcohol Prohibition. An alcohol prohibition applies in this public place at all times.	Appendix 5
Foxton CBD	This public place is the area known as Foxton CBD depicted on the map as Appendix 6, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place at all times.	Appendix 6
Shannon CBD	This public place is the area known as Shannon CBD depicted on the map as Appendix 7, and includes all reserves, formed and unformed public roads, thoroughfares, walkways, access ways and vehicle parking areas located within the boundaries specified.	Alcohol Prohibition. An alcohol prohibition applies in this public place at all times.	Appendix 7
Jubilee Park Levin	This public place is designated as the Jubilee Park site and includes all footpath areas bounding this site along Bath Street and Parker Avenue, Levin.	Alcohol Prohibition. An alcohol prohibition applies in this public place at all times.	Shown on Appendix 5

Appendix 1



 ALCOHOL BAN AREA

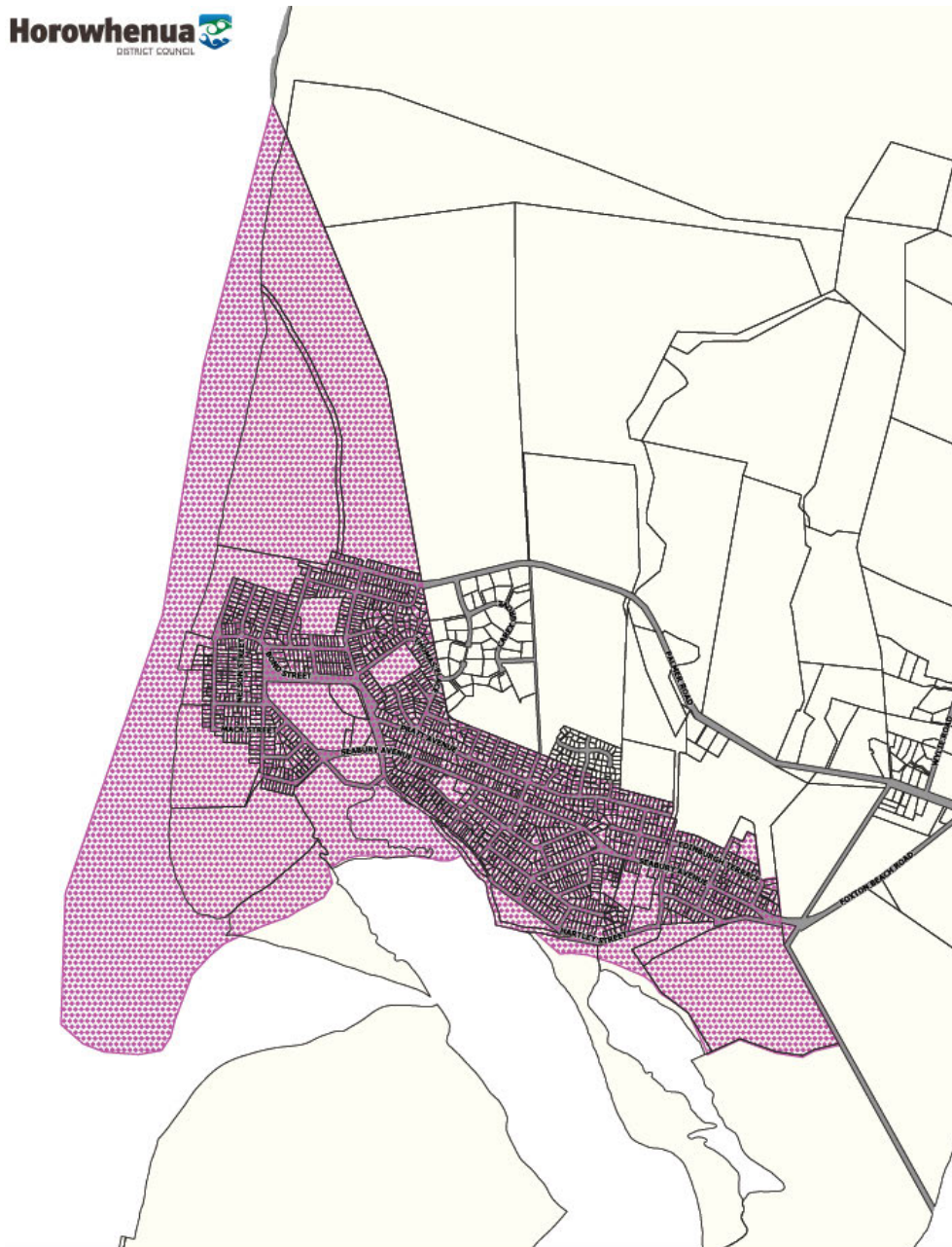
**Alcohol Ban Area
Waitarere Beach**

0 100 200 300 400 500 m

Scale 1:7 500 (A3)

100% April 2022
Property data - Land Information New Zealand - April 2022

Appendix 2



 ALCOHOL BAN AREA

**Alcohol Ban Area
Foxton Beach**

0 250 500 750 1,000 m

Scale 1:15 000 (A3)
NSC April 2022
Property data - Land Information New Zealand - April 2022

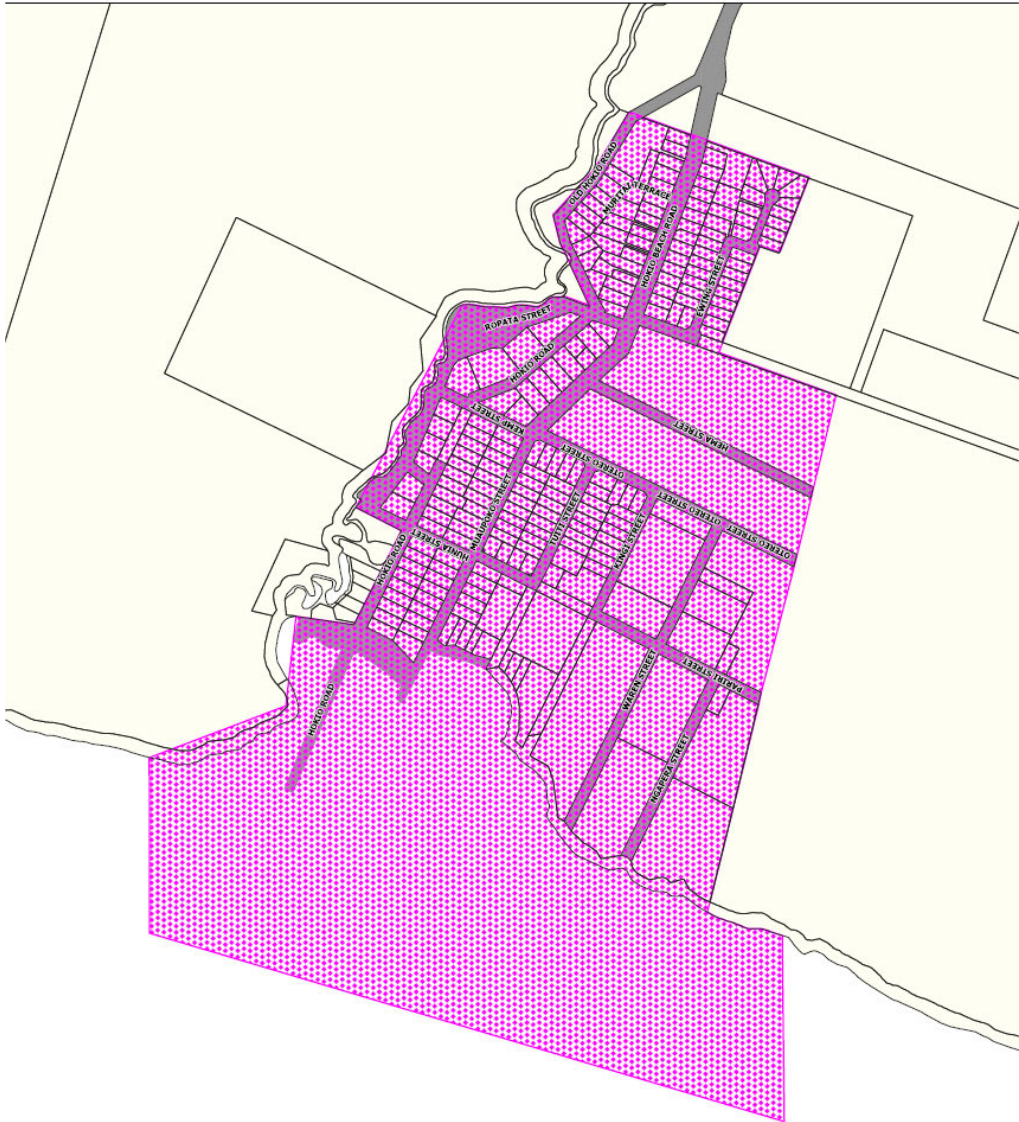
Appendix 3



Alcohol Ban Area
Hokio Beach



MSC April 2022
Property data - Land Information New Zealand - April 2022



Appendix 4

Map to be updated

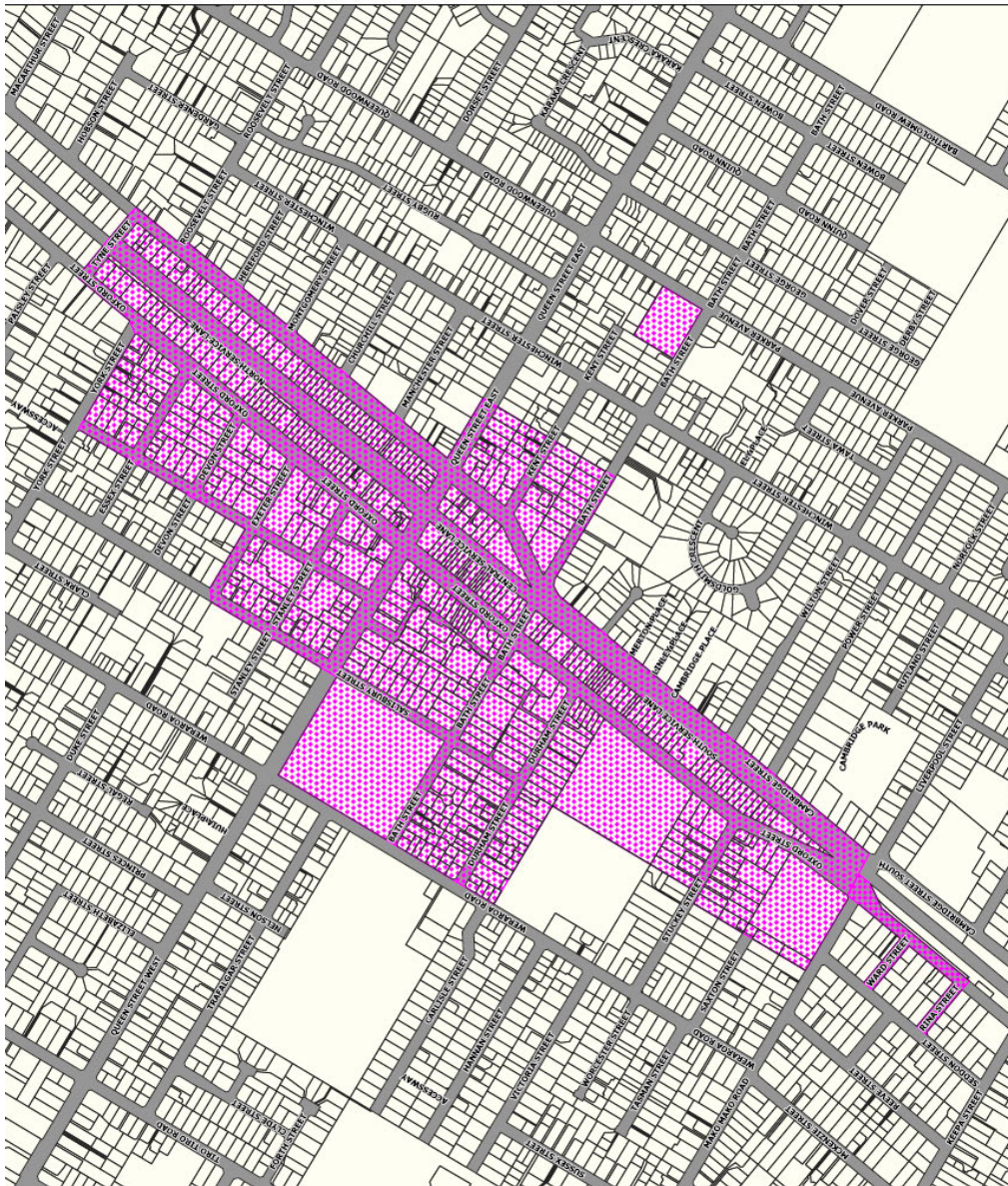
Appendix 5



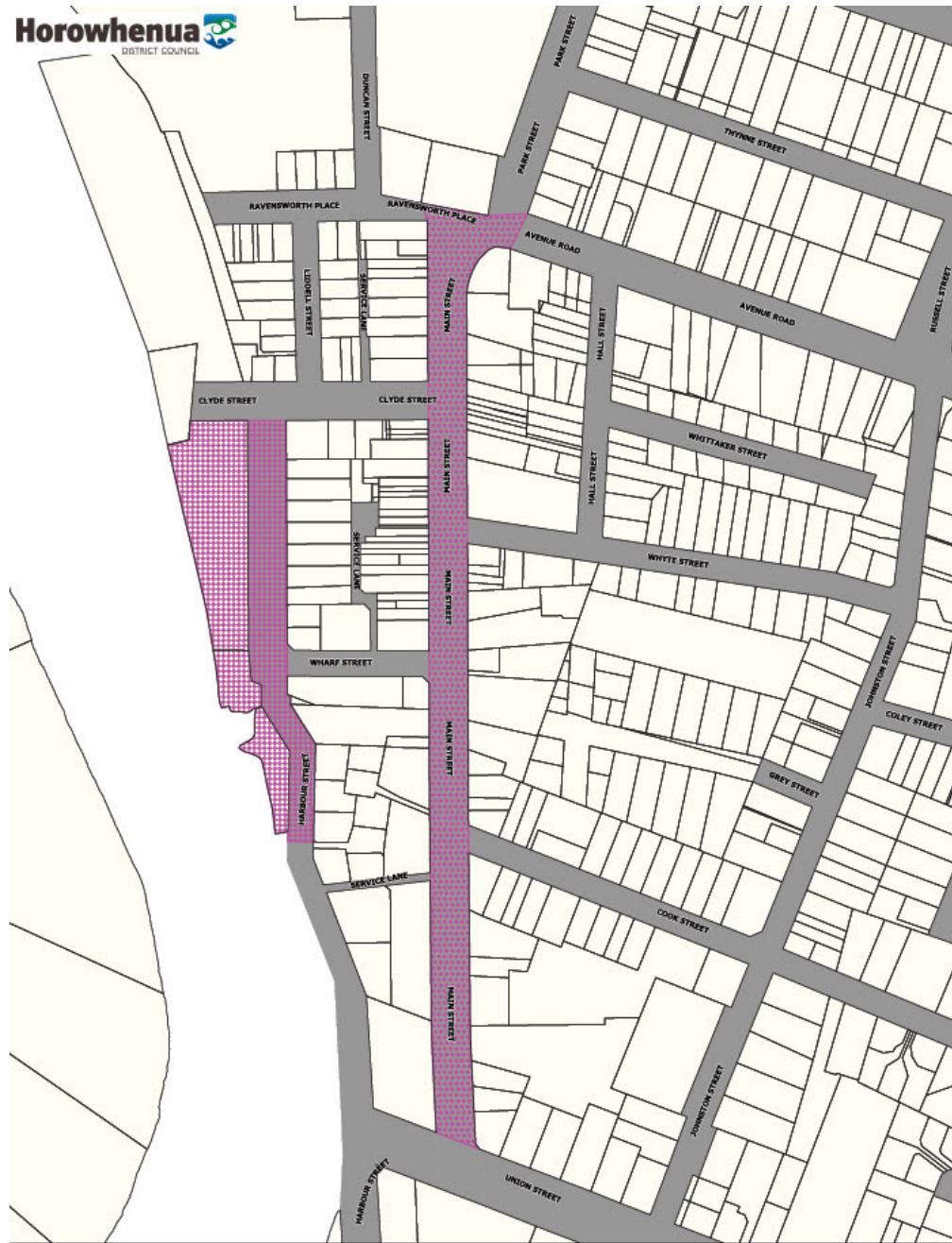
Alcohol Ban Area
Levin CBD



Property data - Land Information New Zealand - April 2022



Appendix 6



 ALCOHOL BAN AREA

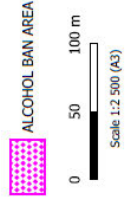
**Alcohol Ban Area
Foxton**

0 50 100 m
Scale 1:2 500 (A3)
HDC April 2022
Property data - Land Information New Zealand - April 2022

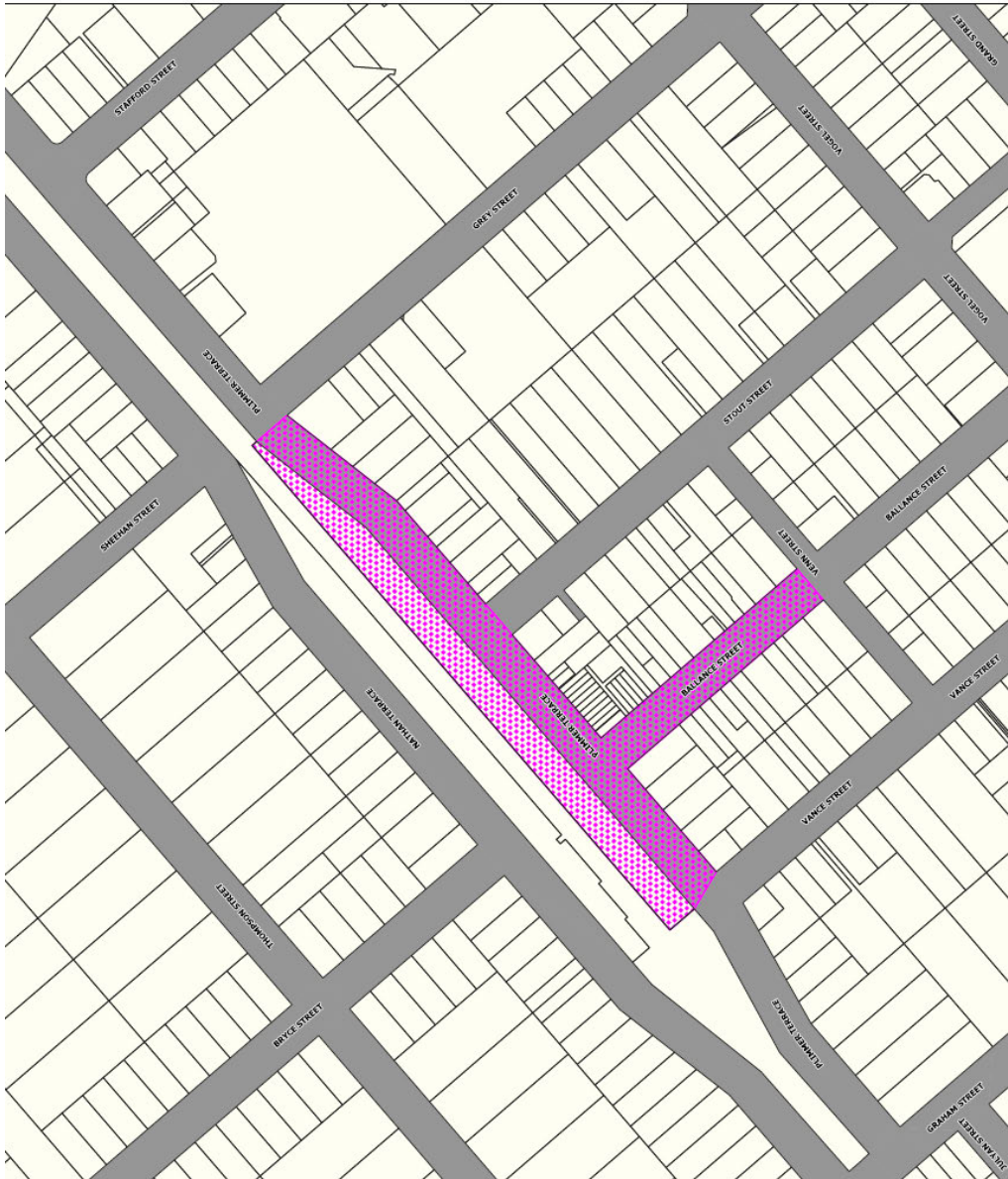
Appendix 7

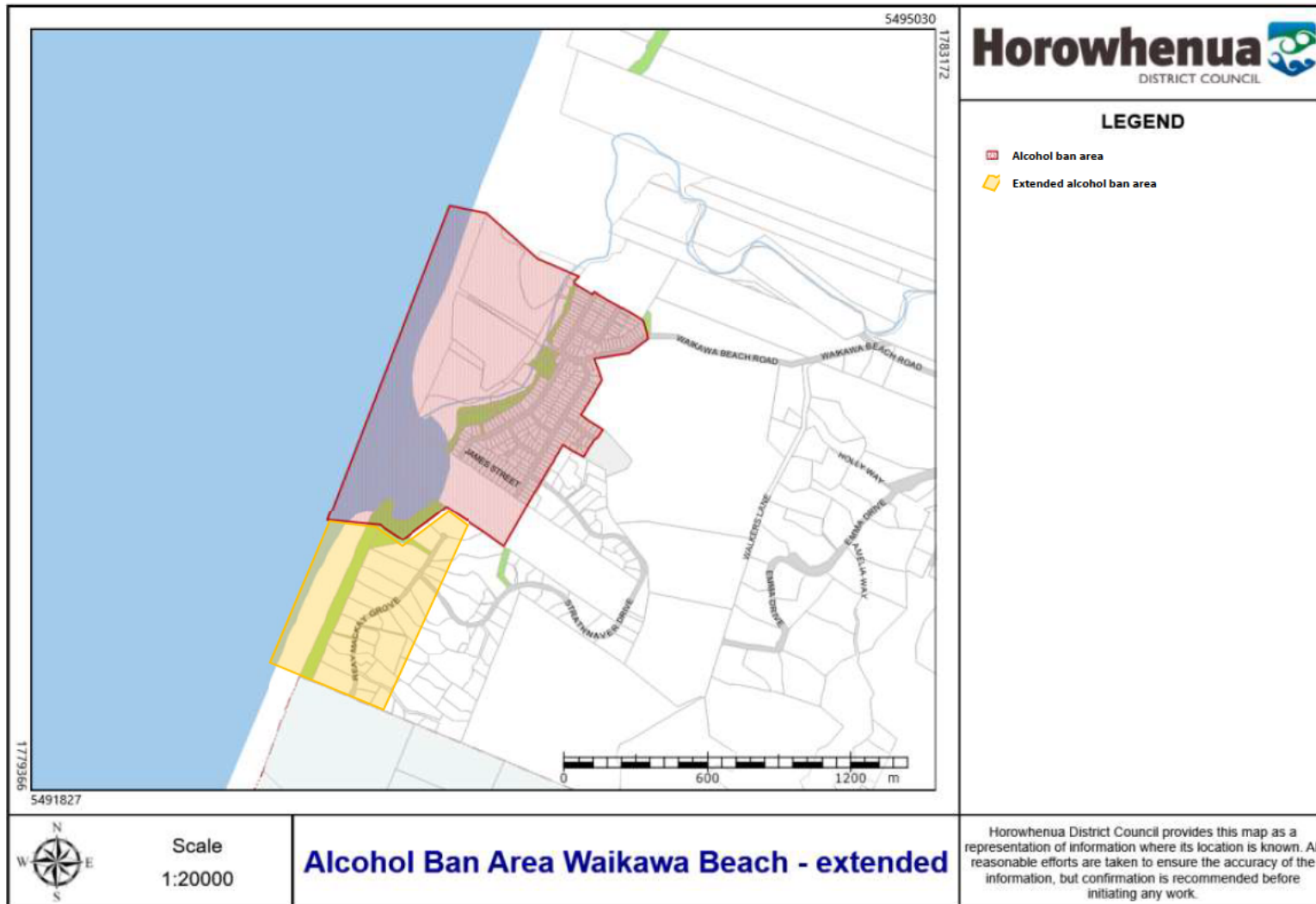


Alcohol Ban Area
Shannon



NSC April 2022
Property Data - Land Information New Zealand - April 2022





Cadastral Base Derived from Digital Cadastral Database - Crown Copyright Reserved. Reproduced Under Licence from Land Information New Zealand.

Date: 26/07/2022

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 17 June 2022, 10:48PM
Receipt number: 6
Related form version: 1

Contact Details

Please tick this box if you want to keep your contact details private

Title:	Mr
Full Name:	Soxxy hyndman
Name of Organisation (if applicable):	Student
Postal address:	[REDACTED]
Postcode:	[REDACTED]
Daytime Telephone:	[REDACTED]
After Hours Telephone:	[REDACTED]
Mobile:	[REDACTED]
Email:	[REDACTED]
Preferred method of communication:	Email

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? Yes No

My Submission(s)

My Submission

Less alcohol bottles everywhere.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 17 June 2022, 9:35PM
Receipt number: 5
Related form version: 1

Contact Details

Please tick this box if you want to keep your contact details private

Title: Ms

Full Name: Christina Curley

Name of Organisation (if applicable):

Postal address:

Postcode:

Daytime Telephone:

After Hours Telephone:

Mobile:

Email:

Preferred method of communication: Email

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? No

My Submission(s)

My Submission

I agree with the proposed changes to this bylaw including Foxton loop.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 24 June 2022, 10:53AM
Receipt number: 7
Related form version: 1

Contact Details

Please tick this box if you want to keep your contact details private

Title: Ms

Full Name: Miraz Jordan

Name of Organisation (if applicable):

Postal address:

Postcode:

Daytime Telephone:

After Hours Telephone:

Mobile:

Email:

Preferred method of communication: Email

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? No

My Submission(s)

My Submission

The area covered by the liquor ban at Waikawa Beach only really includes the village. The area should be extended to include Reay Mackay Grove in the Strathnaver area, including the tracks to the beach off Reay Mackay Grove. I have often found evidence of people having consumed alcohol on the beach — bottles and cans are left lying around, sometimes burned in a fire.

Submission Attachments

[bottles on the beach.jpeg](#)

Council Use Only

Date Received:

RM8 Number:

Submission No:



Submission Form: Proposed Alcohol Control Bylaw



Submission date: **25 June 2022, 1:45AM**
Receipt number: **8**
Related form version: **1**

Contact Details

Title: **Mr**

Full Name: **Margaret hyndman**

Name of Organisation (if applicable):

Postal address: **28 Cobham street levin**

Postcode: **5510**

Daytime Telephone: **063679789**

After Hours Telephone: **063679789**

Mobile: **0273679789**

Email: **carlh2891@gmail.com**

Preferred method of communication: **Telephone**

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? **No**

My Submission(s)

My Submission

Less alcohol would be good. Less drunks and less bottles around.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 11 July 2022, 7:07PM
Receipt number: 9
Related form version: 1

Contact Details

Please tick this box if you want to keep your contact details private

Title: Mr

Full Name: Anthony

Name of Organisation (if applicable):

Postal address:

Postcode:

Daytime Telephone:

After Hours Telephone:

Mobile:

Email:

Preferred method of communication: Email

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? No

My Submission(s)

My Submission

There need to be a Alcohol ban all over Levin.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 12 July 2022, 3:48AM
Receipt number: 10
Related form version: 1

Contact Details

Title: Ms

Full Name: Hayley Thomas

Name of Organisation (if applicable):

Postal address: 3 Cook Street, Levin

Postcode: 5510

Daytime Telephone: +642108186617

After Hours Telephone:

Mobile:

Email: Hayley.thomas713@gmail.com

Preferred method of communication: Post

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? No

My Submission(s)

My Submission

The alcohol ban is not necessary.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Proposed Alcohol Control Bylaw



Submission date: 15 July 2022, 4:28PM
Receipt number: 11
Related form version: 1

Contact Details

Title:	Dr
Full Name:	Rob Weir
Name of Organisation (if applicable):	National Public Health Service Central Region, Te Pae Hauora o Ruahine o Tararua MidCentral District, Te Whatu Ora, Health New Zealand
Postal address:	National Public Health Service Central Region Te Pae Hauora o Ruahine o Tararua MidCentral District 200 Broadway Ave, Palmerston North
Postcode:	4410
Daytime Telephone:	06 350 9110
After Hours Telephone:	
Mobile:	
Email:	robert.weir@midcentraldhb.govt.nz
Preferred method of communication:	Email

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing? **No**

My Submission(s)

My Submission

Re. Horowhenua District Council Draft Alcohol Control Bylaw

Thank you for the opportunity to comment on the draft Alcohol Control Bylaw.

We understand that this is essentially the existing Bylaw with some changes to improve its usability; some additions to the alcohol ban areas; provision for the Council to declare temporary alcohol control areas where deemed necessary, and the inclusion of Signage provisions.

The assessment of the Police that the power to require the removal of alcohol from the area enables a graduated response, and potentially prevents the need for further enforcement, supports the proposition that the Bylaw is appropriate and justifiable. We would expect it to reduce alcohol-related harm and disorder.

The addition of the new areas and the ability to declare temporary alcohol control areas (with an adequate notice period) enhances the community safety object of the Bylaw and the ability of the Police and Council to respond in a timely and resource-effective manner to situations which may develop.

Given the feedback from the Police as to the alcohol bans being an effective tool to prevent alcohol related harm, we would support the new alcohol Bylaw.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

File No.: 22/355

7.8 Donnelly Park Development - Reinstatement to capital programme

1. Purpose

To bring to the attention of Council that year 4 (22/23) of the Donnelly Park cricket improvement project, agreed from the 2018-2038 LTP deliberations, has been omitted from the current capital works program (Year 2 of the 21-41 LTP).

2. Executive Summary

Funding originally committed for improvements to the Donnelly Park cricket pitch in the 2018-2038 Long term plan has been omitted from the 22/23 capital budget and is required to replace the site screens at the venue to meet the cricket warrant of fitness requirements for first-class cricket.

3. Recommendation

- 3.1 That Report 22/355 Donnelly Park Development - Reinstatement to capital programme be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Council reinstate the omitted budget for year 4 of the cricket improvement program at Donnelly Park to the sum of \$80,000.

4. Background / Previous Council Decisions

The Horowhenua Kapiti Cricket Union (HKCU) is seeking the improvement funding agreed at the 2018-2038 Long Term Plan for cricket improvements to be reintroduced into the 22/23 budget so that it might replace the existing perimeter screening. The perimeter screening no longer meets the requirements of NZ Cricket Warrant of Fitness. Replacement is necessary to continue to host first-class cricket.

During the 2018-2038 submissions to the Long Term Plan the Horowhenua Kapiti Cricket Union (HKCU) submitted to Council a four year plan to improve the cricket grounds, and purchase equipment that would allow it to attract first-class cricket to Donnelly Park.

Council agreed to fund the improvements to the value of \$276,000 over a four year period with \$67,000 to be available in 2018/19; \$68,000 in 2019/20; \$70,000 in 2020/21; and \$71,000 in 2021/22.

In 2019/2020 the improvement project was deferred for a year (Covid assistance program), and Year 4 of the funding package was not subsequently included in the 22/23 capital budget.

It seems a previous deferment exercise may have inadvertently omitted this committed fund. Officers seek to reinstate the fund in order for HKCU to complete its requested program of works. Funding would be required from debt funding not rates.

5. Discussion

The cricket pitch at Donnelly Park is a high quality sports surface and is currently attracting first class cricket (women's). Horowhenua Kapiti Cricket Union (HKCU) has advised it wishes to continue to build on its reputation as a first-class cricket venue. HKCU advise that

the current pitch-screening they have no longer meets the NZ Cricket Warrant of Fitness requirements and it is looking at a local firm to fabricate compliant screens for the northern and southern end of the cricket table.

It would appear that whilst Council resolved in its deliberations on the 2018-2038 LTP to include the funding, it was not included in the current year budget (22/23). This may be because the funding, had there not been the deferral of 20/21, would have ended in the financial year just passed (21/22).

Essentially it would appear the 'knock-on' effect of the deferral in 20/21 has not been accommodated in the 22/23 budget.

6. Options

There are two options –

Option one - reinstate a budget of \$80,000 for improvements to the Donnelly Park cricket ground in 22/23 to replace the existing site screens so that the venue continues to meet the cricket Warrant of Fitness.

Option two – do not reinstate a budget to complete the renewal of the screens which may cause Donnelly Park to lose its cricket Warrant of Fitness. This may impact on the playing of first-class cricket at the venue unless HKCU raised the money itself for the replacement.

6.1 Cost

The capital cost of Option One is \$80,000. There are no costs for Option Two.

6.2 Rate Impact

There will be a need to fund the additional budget via borrowing.

6.3 Community Wellbeing

Cricket at Donnelly Park is well-attended by a range of junior and senior teams. The ground hosts first-class cricket and is a regional asset. This brings visitors into the area and likely contributes to local GDP in doing so.

6.4 Consenting Issues

There are no consents required and no consenting issues arising.

6.5 LTP Integration

The request is in line with the LTP from 2018-2038.

7. Consultation

There was no consultation required to be undertaken.

8. Legal Considerations

There are no legal requirements or statutory obligations affecting options or proposals.

9. Financial Considerations

A budget for the works was agreed in the 2018-2038 Long –Term Plan but was not included in the 22/23 capital budget following its deferral in 2019-2020.

10. Iwi Considerations

There are no iwi considerations.

11. Climate Change Considerations

There is no climate change impact.

12. Environmental Considerations

There are no environmental considerations.

13. Health & Safety Considerations

There are no health and safety considerations.

14. Other Considerations

There are no other considerations.

15. Next Steps

If the recommendation is accepted the replacement screens will be commissioned as part of the 22/23 capital works program.

16. Supporting Information

Strategic Fit/Strategic Outcome

The recommendations help contribute to a vibrant economy by encouraging visitors to attend first class cricket.

The recommendations contribute to a stunning environment as the proposal will support the well-being of the community by providing good-quality recreational facilities.

The recommendation ensures that the appropriate infrastructure (new screens) is in place to continue to facilitate first class cricket.

The recommendations support the development of strong communities through providing facilities and places where people can feel connected and included.

Decision Making

The decision can be made outside the LTP as it relates to an existing decision from the 2018-2038 LTP.

Consistency with Existing Policy

The recommendation is consistent with the decision made at the 2018-2038 LTP.

Funding

The decision can be made via the existing LTP (2021-2041).

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Strategic	NA				
Financial	NA				
Service Delivery	yes	Funding is needed to maintain	Medium	Medium	Cricket can still be played on

		registration as a first class cricket venue in NZ.			site but may not be at first-class level.
Legal	NA				
Reputational	NA				

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

There are no appendices for this report

Author(s)	Arthur Nelson Parks and Property Manager	
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Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
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	Monique Davidson Chief Executive Officer	
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File No.: 22/364

7.9 Butterfly Pathway Update

1. Purpose

To update Council on the Butterfly Pathway proposal for Thompson House Gardens.

2. Executive Summary

During the 2021-2041 submissions to the LTP Council received a request to install a butterfly pathway at Levin Public Gardens. After considering submissions Council resolved to 'support in principle' the installation of such a pathway at Levin Public Gardens (Thompson House) subject to clarifying local support.

This report provides an update on the matter following a recent public engagement process about the proposal. Public feedback suggests the proposal is well-supported albeit from a very small pool of respondents. Officers propose to advance the project with a view to coming back to Council at a later date with a confirmed and costed proposal.

3. Recommendation

- 3.1 That Report 22/364 Butterfly Pathway Update be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Council confirms their continued in-principle support and requests the Chief Executive to report back to Council with a proposal for the design and construction of a butterfly pathway.
- 3.4 That Council supports the establishment of a project working group to develop the proposal for the design and construction, and to lead community engagement in attracting business and organisation support.

4. Background / Previous Council Decisions

During the 2021-2041 submissions to the LTP Council received a request to install a butterfly pathway at Levin Public Gardens. After considering submissions Council resolved to 'support in principle' the installation of such a pathway at Levin Public Gardens (Thompson House) subject to clarifying local support. This report provides an update on the matter following a recent public engagement process about the proposal.

5. Discussion

A butterfly pathway is a walkway where parents can install a tile in memory of a child, infant, or younger person who has passed on. They create a space where bereaved parents can go to reflect and remember the child they lost. The pathway is generally adjacent to a landscape containing plants highly attractive to butterflies.

A butterfly pathway uses the four stages of a butterfly's life to celebrate the lives of children who have passed away. In general terms, the egg section is for babies who passed away during pregnancy or were stillborn; the caterpillar section celebrates children who passed before they were one; the chrysalis section represents those children from one to four; and the butterfly section represents those children who died between the age of five and twelve.

Butterfly pathways are a relatively new concept in New Zealand although both Nelson and Porirua City have pathways. The pathway in Nelson is in Fairfield Park and the one in Porirua at Aotea Lagoon. They were opened in 2014 and 2018 respectively.

In line with the Council resolution Officers have sought feedback from residents concerning interest in establishing a pathway at Thompson House garden or another Council reserve. Options to engage with the discussion were introduced on Council's new comms platform *'Let's Kōrero Horowhenua'*. Residents could complete a survey or a quick poll registering their view. The platform also offered an interactive feature whereby interested residents could pick-up and drop a pin on a preferred site.

Quantitative Data

Survey Results

Questions asked in the survey are indicated below –

- **Q1.** Do you think Council should install a Butterfly Walkway at a public reserve?
- **Q2.** Do you support adding a Butterfly Walkway at Levin Public Gardens near Thompson House?
- **Q3.** Do you support adding a Butterfly Walkway at Levin Public Gardens, away from Thompson House?
- **Q4.** Do you support adding a Butterfly Walkway at another Council reserve (other than Levin Public Gardens)?
- **Q5.** Would you or your business like to support the project by joining the project team, fundraising or donating goods and services if a Butterfly Walkway is built?

There were 37 visitors to the survey page and 14 responses. Of the 14 responses-

- 100% were in favour of installing a butterfly pathway at a public reserve;
- 100% were in favour of installing a walkway at Levin Public Gardens;
- 67% were in favour of installing the walkway at Levin Public Gardens away from Thompson House; and
- 54% were in favour of installing a butterfly pathway at another reserve.

There is support from a proportion of the community to develop and install a butterfly pathway at Levin Public Gardens, and given the responses it would appear there may be a demand for incorporating a second butterfly pathway away from Levin Public Gardens.

Question 5 was designed to gauge public support for contributing to the project. Responses to the question indicated four participants would be keen to get involved in the project and one to fund-raise.

Quick Poll

The quick poll asked the question whether people supported a Butterfly Pathway in Horowhenua. There were 14 responses of which 79% voted yes (11 persons), and 21% voted no (3 persons).

The majority of the respondents were therefore in favour of Council installing a butterfly pathway at one of its reserves.

Qualitative Data

In addition to the statistical data generated by the survey and quick poll (quantitative data), there was also a qualitative aspect to the gathering of information that allowed contributors to make suggestions. The initial contributions are included below.

- A number of contributors talked about developing and installing the butterfly pathway at other reserves including Jubilee Park; across the road (Levin Rose Gardens); Waiopēhu Reserve; Levin Adventure Park; and Kennedy Park.

Other responses were-

- *No preference... just somewhere that will help beautify the town, and there should be children's play equipment nearby... many who have lost babies have other children too (direct quote);*
- *Losing a child is just as traumatic when that child is 18 years old as it is when they are 18 months old. Have you considered including a stage in the walkway for the loved ones of teenagers who have passed away to be able to go to reflect on their lives (direct quote).*

Summary

The survey and quick poll commenced on 8th July 2022 and closed on 18th July 2022 and as such was active for 11 days. The communication resulted in 124 people becoming aware of the proposed project of which 72 informed themselves of it, whether by engaging with the survey or quick poll, viewing a photo, multiple pages, or making suggestions.

Twenty-eight participants engaged with the communication 14 completing the survey and a further 14 taking the quick poll. Two persons engaged with the interactive 'pin drop' suggesting locations.

The matter has been discussed with Funeral Directors at the operational meeting of 8th March 2022 and received positive feedback. Officers are in the process of speaking to, other groups who may have an interest in the project. Interested parties will include the original submitter; leaseholders at the Levin Public Gardens (including the Horowhenua Alliance, Thompson House Cultural Centre, Levin Potters, and the Horowhenua Art Club); the RSA; and SANDS).

6. Options

In general terms there appears to be support for a butterfly pathway at the Levin Public Gardens. Officers are currently considering three options being the Levin Rose garden; footpath from Kent Street to the rear of the cenotaph; and footpath from Kent Street to Bath Street (adjacent to 14 Kent and 131-133 Bath Street). Outline proposals are attached as an appendix to this report

Officers propose to progress the project, identify a confirmed location and budget to complete the physical works in line with the recommendation in 3.3.

6.1 Cost

Design and construction costs will vary depending on location, length and the scope of landscaping. We would expect costs to be in the range of 60k -100k. Noting that this would exclude the cost for preparing and installing the memorial tiles. We have assumed this cost would be borne by those seeking to install the memorials.

6.1.1 Rate Impact

There is no funding included in the LTP for the work. The project would need to be funded by loans, or public contribution.

6.2 Community Wellbeing

Funeral Directors, and anecdotal cemetery evidence suggests there is likely to be a demand for the service and that it would be well-received. A place that recognizes such a loss is likely to assist those who have suffered bereavement of a child, or miscarriage to come to terms with the loss.

6.3 Consenting Issues

There are no consenting issues.

6.4 LTP Integration

Development and installation of a butterfly pathway is not budgeted in the Long Term Plan and as such will require loan funding. Once a full proposal has been developed, Officers will return to Council seeking any funding that is required.

7. Consultation

Residents and the local Funeral Directors have been consulted. Further consultation is required with other stakeholders and would take place as part of the detailed design.

8. Legal Considerations

There are no legal considerations.

9. Financial Considerations

The project has not been allowed for in the current LTP and as such a budget to complete the work is required. Other options may be to engage with the business and local community to determine whether there is any interest in voluntary funding.

10. Iwi Considerations

There are no specific iwi implications.

11. Climate Change Considerations

There are no climate change considerations.

12. Environmental Considerations

There are no environmental considerations.

13. Health & Safety Considerations

There are no health and safety considerations

14. Other Considerations

There are no other considerations.

15. Next Steps

Officers will continue to scope the project and liaise with stakeholders by way of developing a confirmed location and price for the proposed project.

16. Supporting Information

Strategic Fit/Strategic Outcome

The proposal supports an outstanding environment by ensuring the built environment supports our people.

The proposal contributes to strong communities by providing infrastructure and services as a foundation for resilient and connected communities.

Decision Making

The decision can be made outside the LTP.

Consistency with Existing Policy

The actions and recommendations concerned support Council's direction from the 2021-2041 LTP to seek a public view on the installation of a butterfly pathway at the Levin Public Gardens.

Funding

Funding has not been identified for the proposed work.

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Strategic	Na				
Financial	Na				
Service Delivery	Na				
Legal	Na				
Reputational	Na				


Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:


- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

No.	Title	Page
A	Option 1, Levin Court House and Rose Gardens	225
B	Option 2, Levin Public Gardens Rear of Cenotaph	226
C	Option 3, Thompson House Gardens	227

Author(s)	Arthur Nelson Parks and Property Manager	
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Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
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	Monique Davidson Chief Executive Officer	
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REV	DATE	BY	APPR	REVISIONS

APPROVED FOR TENDER	
JAMES WALLACE ROADS MANAGER	DATE

STU MANANGLAR PROJECT ENGINEER	DATE
JOHN TUCKER PROJECT BY	DATE
JAMES WALLACE CHECKED BY	DATE
JAMES WALLACE APPROVED BY	DATE



CONTRACT	####
PROJECT	Butterfly Pathway Project
TITLE	Option 1

DRAWING NUMBER	###
SHT. <u> </u> OF <u> </u>	





Infrastructure Operations - Activity Update

File No.: 22/297

1. Purpose

To provide the Council with a quarterly update on the projects being undertaken by the Infrastructure Operations Group.

2. Recommendation

- 2.1 That Report 22/297 Infrastructure Operations - Activity Update be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Key Highlights and Business Priorities

3.1 Rooding

3.1.1 Road Maintenance

Rooding operational and maintenance is managed as a programme budget, the financial year's outturn per work category and the overall expenditure is summarised in the table below. The total programme overspent budgets by 3.3%, or \$91,572, driven primarily by an increase in works to help improve roadside drainage and management of runoff.

2021 / 2022 Financial Year Operational Expenditure (Excl. emergency works)			
Rooding Maintenance	Original Budget (\$)	Actual Expenditure (\$)	Variance (\$)
Sealed Pavement Maintenance	\$485,000	\$493,205	(\$8,205)
Unsealed Pavement Maintenance	\$140,000	\$109,341	\$30,659
Routine Drainage Maintenance	\$275,000	\$327,912	(\$52,912)
Structures Maintenance	\$50,000	\$77,989	(\$27,989)
Environmental Maintenance	\$450,000	\$437,223	\$12,777
Network Service Maintenance	\$270,000	\$310,054	(\$40,054)
Cycle Path Maintenance	\$15,000	\$19,601.55	(\$4,602)
Footpath Maintenance	\$50,000	\$55,054.07	(\$874)
Level Crossing Warning Devices	\$30,000	\$40,617	(\$10,617)
Minor events	\$100,000	\$106,793	(\$6,793)
Network and Asset Management	\$1,000,000	\$982,961.70	\$17,038
Total	\$2,865,000	\$2,960,751	(\$91,572)

3.1.2 Road Renewals

Road renewals are also managed as a programme budget, rather than project budgets. The financial year's outturn per work category and the overall expenditure is summarised in the table below.

2021 / 2022 Financial Year			
Roading Renewals	Original Budget (\$)	Actual Expenditure (\$)	Variance (\$)
Unsealed Road Metaling	\$45,000	\$54,901.64	(\$9,902)
Sealed Road Resurfacing	\$1,250,000	\$1,447,302.53	(\$197,303)
Drainage Renewals	\$180,000	\$201,171	(\$21,171)
Sealed Road Pavement Rehabilitation	\$1,250,000	\$794,834	\$455,166
Structures Components Replacements	\$85,000	\$53,681	\$31,319
Traffic Services renewal	\$380,000	\$375,307	\$4,693
Footpath renewals	\$400,000	\$462,230	(\$62,230)
Total	\$3,590,000	\$3,389,428	\$200,572

The unsealed road metaling budget covers the maintenance of the entire 58km of unsealed road network, including the material supply and spreading of running course. There was a slight overspend of \$9,902 largely due to extra aggregate being required after the December 2021 rainfall event.

The overspend of \$197,303 for the sealed road resurfacing budget was largely due to increases in aggregate and bitumen costs. Over the past year we have resealed 27km, or 198,000m² of road across the district.

The drainage renewals budget covers the replacement of all roading drainage assets, including replacing culverts and kerb and channel. There is a small over spend of \$21,171 due to a focus on addressing stormwater issues. This budget was used to install the extra swales at Foxton Beach.

There was a significant underspend of \$455,166 in the sealed road pavement rehabilitation programme due to a delay in obtaining consent to replace the Koputoroa Road bridge as part of the overall project to rehabilitate Koputoroa Road. The remainder of the budget was used to rehabilitate 4km of roads, including Poplar, Ashlea, Tavistock and Koputoroa Road.

The underspend for structure components replacements is due to delays in material supply.

The \$62,230 overspend in footpath renewals is due to the opportunity to increase the scope of several renewal sites while we had good weather and contractors on site. Overall we built 3km of footpaths, in Waitarere, Foxton, Foxton Beach, Tokomaru and Shannon.

3.1.3 Road Improvements

This budget includes rehabilitations, safety improvements, walking and cycling projects. The exception is Gladstone Road Realignment Project, which is managed as a separate project. The improvement programmes are broken down in the sub-sections below. Overall expenditure is summarised in the table below:

2021 / 2022 Financial Year		
Original Budget (without NZTA walking	Actual Expenditure	Variance

& cycling NZTA share) (\$)	(\$)	(\$)
\$2,058,279	\$992,223	\$1,066,046

3.1.4 Road Rehabilitations

This budget covers improvements to the carriageway and is primarily used for improvements associated with rehabilitation projects. There is a significant underspend in this programme, due to consenting delays on the Koputaroa Road bridge replacement.

The remainder of the budget was used to widen and strengthen Koputaroa, Tavistock and Ashlea Roads.

2021 / 2022 Financial Year		
Original Budget (\$)	Actual Expenditure (\$)	Variance (\$)
\$1,147,279	\$602,884	\$544,395

3.1.5 Road Safety Improvements

This budget covers road improvements aimed at reducing the risk of death and serious injury crashes on the transport network. The underspend in this programme is due to the delay of the Liverpool – Bartholomew Intersection Safety Improvements project as well as contractor resourcing issues due to Covid.

This remainder of the budget was used to build safety improvements outside Ohau School, traffic calming on Tiro Tiro Road, and improved road signs and markings on Hokio Beach, Waikawa, Kuku Beach and Waikawa Beach Roads.

2021 / 2022 Financial Year		
Original Budget (\$)	Actual Expenditure (\$)	Variance (\$)
\$500,000	\$142,273	\$357,727

3.1.6 Walking Facilities

This budget covers the construction of new footpaths, as well as improvements to existing facilities. There was a planned underspend of this budget to remain close to the originally budgeted local share owing to the lack of Waka Kotahi financial assistance for this activity.

This budget was used to build a total 635m of new footpath in Rummel St and Park Ave in Waitare Beach, Thomas Place Foxton Beach, Stout Street in Shannon and Cambridge Street Levin and Tawa Street in Tokomaru.

2021 / 2022 Financial Year				
Walking Facilities				
Original Budget (\$)	Local Share (\$)	Actual Expenditure (\$)	Total Variance (\$)	Variance on Local Share (\$)
\$350,000	\$133,000	\$171,510	\$178,490	(\$38,510)

3.1.7 Cycling Facilities

This budget covers improvements targeted at building new and improving facilities for cyclists, including cycle lanes and shared paths. There was a planned underspend of this budget to remain close to the originally budgeted local share, as Waka Kotahi failed to approve the Financial Assistance Rate subsidy for this activity. The underspend has been larger than planned due to issues with contractor availability.

2021 / 2022 Financial Year				
Cycling Facilities				
Original Budget (\$)	Local Share (\$)	Actual Expenditure (\$)	Total Variance (\$)	Variance on Local Share (\$)
\$850,000	\$323,000	\$82,742	\$767,258	\$240,258

3.1.8 Major Rooding Projects

The sub-sections below summarises two of our larger rooding projects undertaken in the 21/22 financial year. Noting that the Gladstone Road Realignment Project has been covered in separate reports to Council.

3.1.9 Tavistock Road Rehabilitation

This road rehabilitation project covers a 900m section of Tavistock Road, which extends south from the railway level crossing close to Koputaroa Road. The project was to correct the pavement shape and widen the road.

The sub-grade soil in this area predominately consists of peat, which regularly causes pavement deformations as the soft subgrade settles and shifts over time. This is a common occurrence on all peat roads. The most cost effective solution to maintaining these roads is to correct the pavement shape and reseal when the condition deteriorates to a point where the level of service is no longer acceptable.

Construction of this project started in early March 2022 and was completed in late April 2022.

3.1.10 Koputaroa Road Rehabilitation

This rehabilitation project covers 950m of Koputaroa Road, extending from near Piaka Road towards the west. The project repaired pavement deformations and widened the road in selected areas.

Construction works commenced in late March 2022, with works on the road shoulder completed. The remaining work on the carriageway was paused for winter and will recommence in spring 2022.

3.2 Water and Waste Services

3.2.1 The Pot Irrigation Automation Project

Progress

Works on site at the Pot started in late March 2022. The physical works are 80% complete. There has been some delay due to wet weather and high groundwater. The automation work is ready for commissioning. Cables for the instrumentation and control have been installed however termination will be carried out from late August 2022.

The project is on track for completion and commissioning by the end of September 2022.

Financials

The variance of \$239,869 is due to escalation in raw material costs, uptake of opportunity costs to install extra redundancy and increase pipe sizes for optimised hydraulic performance.

2021 / 2022 Financial Year			
Original Budget (\$)	Cost to Date (\$)	Forecast cost to complete (\$)	Variance (\$)
\$1,150,000	\$890,000	\$1,387,000	(\$239,869)

3.2.2 Stormwater quality improvement project – Hokio Beach Road

Background

Council have procured a Downstream defender. Which is an in-network stormwater treatment device used to improve the quality of stormwater before it is discharged into a natural water body. Installation of the device on Hokio Beach Road will greatly help reduce the potential for contaminants in stormwater from discharging toward the Lake.

Progress

The Downstream Defender has been delivered to site and the construction team are ready to commence installation at the first dry weather opportunity.

Financials

This \$275K project is funded through the Three Water Reform Stimulus funding.

3.2.3 Levin Water Intake

The Levin Water Intake project involved a realignment of the water flow path at the intake gallery of the Levin water treatment plant. The series of storms last year caused the river path to change direction, leaving the intake gallery almost dry at low flow. Works to redirect the flow to the intake were completed at the end of April 2022 under emergency works provisions.

The improvements have allowed the intake gallery to operate as it was intended during low river flow. The below picture shows the new gryones on the right-hand-side.



3.2.4 Weighbridge installation and drainage improvement at Foxton Transfer Station

Background

To date, all household, commercial and construction waste brought into the Foxton transfer station has been paid for based on user-estimates of volume. The installation of a weighbridge allows Council to directly weigh loads before they are sent to landfill. Council now has an alternative weighbridge if the Levin weighbridge was out of service for any reason.

Progress

The weighbridge was installed and commissioned during June and July 2022. The Transfer Station was re-opened to the public on the 11th July.

The project also carried out drainage improvement works on site. The recycling station is due to re-located to a more accessible location but has been held up by the inclement weather. Similarly, some other minor items such as road marking and final asphalt is awaiting fine weather.

The photos below show the weighbridge installation and the finished product.



Financials

The total cost of weighbridge installation was \$112,270 of which \$100,000 was grant funded by the Ministry for the Environment.

The additional works, including relocation of recycling station, portacom, electrical works and drainage works has summed to approximately \$88,000 (noting the works are not yet complete).

The ongoing operational cost for the weighbridge is approximately \$2,000 per year.

3.3 Parks & Property

3.3.1 Community Infrastructure Overview

The Community Infrastructure portfolio comprises:

- Beautification
- Cemeteries
- Halls
- Public Toilets
- Reserves
- Sportsgrounds
- Urban Cleansing

Income

Budgeted income for the Community Infrastructure portfolio was \$284,037. Total income was around 15% higher at \$327,149. Most notably, there was a 17% increase in cemetery user charges that generated more income than budgeted.

Operational Expenditure

At time of writing there is a small overspend of <2% against an operational budget of \$3,537,482. In terms of sub-activity budgets there were small underspends against Beautification (15%); Cemeteries (4%), and small overspends against (Halls (3%); Public Toilets (4%); and sportsgrounds (11%).

There is an overspend of < 1% against forecast budgets of \$3,560,665.

Capital Expenditure

The original budget for capital works for community infrastructure projects was \$3,791,813 and year to date actuals, less Foxton Futures, is \$3,311,931. There is an outstanding invoice to be paid of \$202,000 (Playford Park ablution block), and \$8,000 that will need to be set against the Wairarawa Stream works bringing expenditure to around \$3,521,931.

The table below summarises the projects delivered during the past year.

Specific Projects

Work Order	Budget	Forecast	YTD Actuals	Comment
Community Infrastructure				
00008526 - District Halls Renewals	\$ 27,000	\$ 27,000	\$ 24,212	Complete
00008534 - Public toilets - Minor renewals	\$ 54,000	\$ 55,500	\$ 41,887	Complete

00008561 - Reserves Renewals	\$ 962,336	\$ 1,034,921	\$ 1,122,891	Additional roading renewals on Parks (Higgins). Will be taken from 22/23 renewals
00008562 - Sportsgrounds Renewals	\$ 151,688	\$ 151,688	\$ 146,039	Complete
00008563 - District Fencing Contingency	\$ 45,000	\$ 48,400	\$ 41,127	Complete
00008565 - Coastal Resiliency	\$ 50,000	\$ 50,435	\$ 43,555	Complete
00008568 - District Play Equipment	\$ 81,000	\$ 85,300	\$ 94,739	Slight overspend in materials
00008574 - Foxton Beach Reserves Projects	\$ 700,000	\$ 350,000	\$ 367,504	350k carried forward on reforecast due to specialist contractor unavailability (Tennis Court)
00009033 - Waitarere Domain improvement	\$ 85,000	\$ 85,000	\$ 85,776	Complete
00009057 - Stream management plan	\$ 16,000	\$ 18,139	\$ 4,225	Outstanding 8k expense to be processed
00009058 - Waikawa Beach Pedestrian Bridge	\$ 50,000	\$ 49,455	\$ 61,960	Slight overspend cost of assessment higher than anticipated
00009064 - Donnelly Park improve cricket facilities	\$ 71,000	\$ 78,861	\$ 78,561	Complete
00009273 - Public toilets - Major renewals	\$ 452,156	\$ 402,156	\$ 395,983	50k carried forward on reforecast as a result of delays due to Covid sickness in contractor.
00009274 - Park lighting upgrade	\$ 255,000	\$ 165,000	\$ 173,345	90k carried forward on reforecast as delays in importing light columns.
00009554 - Reserves renewals (buildings)	\$ 1,633	\$ 900	\$ 1,284	Complete
00009555 - Playford Park - Improvements	\$ 450,000	\$ 420,000	\$ 210,774	Outstanding invoice for 202k. 30k has been carried forward for connections into 22/23.
00009557 - Donnelly Park - Replace netball lights	\$ 180,000	\$ 180,000	\$ 196,893	Complete
00009680 - Shannon Domain Lights	\$ 160,000	\$ 160,000	\$ 198,448	Complete. Slight increase in material/labour costs
00009716 - Wairarawa Stream Works	\$ -	\$ 56,000	\$ 25,044	Carry forward 30k into 22/23 consultant availability.

3.3.2 Property Overview

Property Sales

In the 2021-2022 Long Term Plan assumed income from property sales of \$650,000. The value of property sales in 2021-2022 including the sale of 15-23 Durham Street to the Horowhenua Company Limited (following a Council resolution) was \$2,010,000.

Operational Income

Operational income from Council's property portfolio was \$305,933 for 2021/22 against a budget of \$190,905, which excludes Focal Point cinema. Income against forecast (including Focal Point cinema) was around 7% below that anticipated at \$328,593. This is primarily because a number of residential sites are being held vacant for likely sale in 22/23, and changes in the Residential Tenancies Act that do away with fixed term leases in favour of periodic and ongoing tenancies. In addition, rent at Levin Depot has been less than anticipated for 21/22.

Operational Expenditure

Operational expenditure on the property activity for 2021/2022 was \$686,501 which is 6% less than the forecast of \$726,958 and 12% less than budgets at \$779,917. This is primarily due to less use of consultants/solicitors than anticipated in the sale of Council properties. It is anticipated costs for use of such professionals will increase in 22/23 as Council seeks to dispose of more heavily encumbered sites.

Capital

Capital expenditure on property was \$2,388,124 for 21/22 against a forecast of \$2,608,609 an underspend of approximately \$220,485. The underspend is due to shifting budgets between the Poads Road Quarry and alternative water supply projects, and delays with the new Waitarere Beach Surf Club's commitment to commence construction.

Capital expenditure was significantly less than the budgeted 5.5 million with 1.2 million dollars of the Waitarere Beach surf life-saving club being deferred to 2022/23; the Forbes Road and Gladstone Road subdivisions being deferred (800k and 400k respectively); and a 530k underspend on Strategic Land purchases.

3.4 Horowhenua Alliance

The sections below summarise the Horowhenua Alliance's performance during the last quarter.

3.4.1 KPI Update

Contracted response times to site were met for Water CRM's during the last quarter with average response to site for water related calls achieved within 33 minutes. Response times for wastewater were also achieved this quarter with the average time being 14 minutes. These response times were impacted with major rain events across the last three months where some responses were delayed to individual properties as priority was given to main system faults during these weather events, however overall, the targets were achieved. The median resolution time for faults, YTD is 2 hours 47 minutes.

CRM 3-waters activity level for the quarter achieved 84.4% completion of resolution within contracted timeframes. These figures are calculated from the three waters section of the CRM report, as below.

June 2022 Quarter					% In	%	Not		
Service	New	Closed	Open	In Target	target	Overdue	Overdue	Alliance	% Not Alliance
Formal Complaints	1	0	1	0	0	1	100	1	100
Sewer	53	46	7	41	77.36%	12	23%	1	16
Stormwater	33	6	27	6	18.18%	27	82%	10	91
Water	221	198	23	197	89.14%	24	11%	0	0
Total	308	250	58	244	79.22%	64	21%	12	6
Adjusted overdue				256	83.11688	8	2.597403		

Note: The Adjusted overdue row corrects the target figures for incorrect assignments to the Alliance.

Water quality standards for the quarter were met. However, there was a burst main in Shannon reticulation on 19th of April which resulted in a fast flow-out of water from the reservoir, affecting turbidity readings due to air bubbles.

Water performance figures district wide, as at 30 June are summarised in the table below.

Parameter	Year to Date	
	Per 1000 Connections	No. of Complaints
Clarity	0.22	3
Taste	0.44	6
Odour	0.15	2
Pressure or flow	0.07	1
Continuity of supply	0.07	1
Council's response	0.00	0
Total	0.95	13
Number of properties charged water rates = 13,695 as at 01 July 2022		

Average water supply consumption for each community is summarised in the table below:

Supply	Year To Date (Litres/head/day)	June 2022 (Ltrs/head/day)	May 2022 (Ltrs/head/day)	April 2022 (Ltrs/head/day)
Levin	414	412	406	460
Foxton	310	278	309	313
Foxton Beach	155	137	134	157
Shannon / Mangaore	426	439	437	423
Tokomaru	177	218	180	200
Average YTD	296	296	360	

As at 30 June 2022, average consumption across the district is 362/Litres per person per day, this is a very slight increase on the May average of 360/Litres and a significant drop from the April average consumption of 400/Litres per person per day.

This figure is calculated based on total water produced, minus commercial consumption, then divided by the connected population. Therefore, the actual residential consumption is less than the amount noted above. The target measure is ≤ 300 lpcd. (Litres per person consumed per day)

The target for “minimal water losses” was not achieved district wide, only Foxton Beach and Tokomaru achieved the target (World Bank Index) band for Leakage in the last quarter as per the table below.

"Snapshot" Infrastructure Leakage Index			
Supply	April	May	June
Levin	C	C	C
Shannon & Mangaore	C	C	C
Foxton	D	D	C
Foxton Beach	A	A	A
Tokomaru	C	C	B

Wastewater performance measures were met for the quarter with one exception in 'Satisfactory Service' under the blockage's category. The measure is less than 8 per 1000 connections and the April result is 9.43 per 1000 connections, the May result was 10.12 per 1000 connections and June result is sitting at 11.42.

This year to date result per 1000 connections is reflected in the number of CRM's received identifying a significant increase in the number of blockages caused through items flushed into the wastewater system that are not biodegradable and cause blockages and pump failures. We addressed this issue in areas where we saw the majority of blockages with a communication 'mail drop' to remind residents of the importance of only the 3 P's to be flushed as was the message with the 'Love your Loo' campaign. This mail drop is being extended across other areas.

Storm water performance measures were all met for the quarter.

3.4.2 Programmed Maintenance

Three waters planned programmed maintenance for the last quarter has achieved the following:

Wastewater

- Boiler servicing at Levin Wastewater treatment plant has been completed
- CCTV inspections have been completed on Wastewater pipes across the following locations.
 - Union Street, Foxton.
 - Paisley St and Oxford Street, Levin
 - Bartholomew Road and Rimu Street Levin
- A lot of groundwater infiltration was identified in Foxton, which is being worked through with the Asset Management team for further action. There were no major issues found in Levin however there was minor damage to manhole haunching's which were repaired.
- Portable Appliance Testing (PAT) has been completed at the Levin Wastewater Treatment plant and the Levin Water treatment plant. This will now be completed across the district and a schedule for re-testing implemented.

- A collapsed pipe in Adkin Avenue discovered during CCTV of one of the Levin Wastewater Treatment Plant inlet pipes has been successfully repaired, the area has been reinstated and affected residents at No. 37 & 39 are very happy the issue has been resolved.
- We dealt with root infiltration in the Levin Wastewater treatment plant inlet pipe in Donnelly Park, the Root cutter was unable to be used in the pipe however an alternative method to remove the roots was found and the task completed in May.
- First part of smoke testing and property inspections has been completed around Linklater Ave & Hartley Street, Foxton Beach. Inspection is part of an investigation into stormwater inflow and infiltration in the area and is intended to identify properties that may be directing stormwater into the sewers. This work is progressing.

Water

- Endress & Hauser instruments and flow meters at all Water treatment plants have received annual servicing and verification. All instruments have also been upgraded to latest firmware.
- Pall Filtration Membranes at Shannon Water Treatment Plant is now complete. This was an overdue task from last year due to Covid travel restrictions. A training day was held for Water Treatment Plant operators which went well. The Pall technician made some good recommendations about prolonging filter life and increasing efficiency, which have been shared with the operations teams.
- Reduced Pressure Zone (RPZ) Backflow Preventor checks were completed and signed off district wide in April and May

Stormwater

- CCTV completed on Matai Street, Levin in response to a flooding complaint. The pipe was found to contain a large amount of silt & debris, which was cleared.
- We have commenced the process of repairing a partially collapsed Storm Water pipe under Grand Street in Shannon, as per below photo example.



3.4.3 Strategic Update – Operations

The Levin WWTP Sludge press #2 required repair in early April, and parts including critical spares were ordered. The press was removed and transported to Ducare workshop awaiting the parts to arrive from Canada. This meant that the plant was reliant on the original press to process sludge, which required hands-on monitoring to ensure it would cope. The repair to press #2 was delayed due to parts going missing in transit, the supplier was notified, extra parts were dispatched. The sludge press has now been repaired, has had a test run and will be commissioned when digester #2 is back on line.

The Pista Grit experienced issues with by-passing the pickup, and a leak from a suspected hole in the concrete sump. It was emptied and assessed, the suction pipe was found to be corroded and temporary repairs were completed. However a full rebuild of the Pista grit is required along with concrete resurfacing due to exposed aggregate. Concrete Doctors and local engineers have been engaged to assess the maintenance required and provide quotes for repairs. A quote has been received from Concrete Doctors for the resurfacing work. We are waiting on receipt of assessment and quote from Ducare before presenting refurbishment costs to Council.

Several maintenance tasks were completed in the Levin water treatment plant during the quarter, these include:

- The roof checked for leaks and bird proofing.
- New solenoid valves have been fitted to the hydro cyclone on the clarifier and adjustments to Hydro Cyclone performance were actioned to optimise actisand usage.
- The exterior foundations of the main building and the floor in the mixing room repaired.
- UV bulb replacement due to lamps reaching the end of their run times of 14000hrs.
- Annual chlorine servicing completed.
- Safety rail fitted to site for Reservoir #1/2

Weather events in the last 3 months have impacted on the performance of both the Shannon and Tokomaru plants causing them to shut down. The shutdowns occurred due to high turbidity and UV issues. Potable water was trucked in from Foxton and Levin to maintain reservoir levels across Tokomaru and Shannon.

The weather events in May also put the Levin Water Treatment plant operation under strain, this was due to high turbidity in the river. Processing was assessed and a decision was made to shut down the plant. Reservoir levels got down to 57% total reserve storage before the plant was re-started. The Fire communications department was notified.

Likewise, the Tornado on 20th May caused power fluctuations and the Levin water plant kept shutting down. There was minor building damage during the weather event at Foxton treatment plant with guttering blown off and doors not locking due to wind pressure. During all these recent weather events the Alliance team have worked long hours under pressure and in extreme conditions to ensure water service provision continued to the Horowhenua community, whilst the water treatment plants were shut down for periods of time there was no impact noticed in the communities.

In the first week of July there was a major 300mm trunk main burst at the intersection of Queen Street and State Highway 1 at 1.15am. It was necessary to close both north and south bound traffic lanes and have traffic diverted from the work site from 2.00am to 9.00pm that night. The Alliance reticulation team repaired the pipe with the help of Caldow Builders who managed the excavation and Tatana Contracting who took control of the traffic

management had all works completed by 6.30pm. The pipe was excavated and repaired, with the excavation backfilled and State Highway prepped ready for hot mix. Reinstatement required 80 tonnes of hot mix delivered and laid on site at very short notice, which was a project in its own right. The Alliance were able to get a full Downer roading crew out of Wellington to reinstate at short notice and they completed the State Highway repair by 9.30pm. It was a great collaborative effort with the reticulation team, local suppliers and Downer Wellington. The photo shows damage to the 300mm PVC trunk main before repairs were completed. Experience with this PVC pipe across the network has identified significant issues with PVC laid in the early 2000s with the same issue.



3.4.4 Strategic Update - Projects

There are several projects ongoing across the last quarter.

Levin Wastewater Treatment Plant - Digester 1 – Recommissioning

The timeframe for this project was on schedule and as at April 2022 was 85% complete. Beca completed the electrical design and recommended all electrical cables be replaced with explosion rated cable, this was completed. The control cabinet was completed and installed and commissioning documents (plan/report, equipment list) and gathering records such as IECEx certificates of conformity, safety instructions, and technical information for the blower control has been procured.

Commissioning of Digester #1 commenced 16 May '22, with several stages to commissioning as each piece of equipment has to be commissioned. The Blower control automation test was completed, and devices were working as per design. The Digester hazardous area electrical inspection completed. The inspector was happy with mixing system design and installation apart from mortar installation, some scratches were identified on the internal side of the flame proof cover and as a result, the casing would no longer meet minimum safety requirements for equipment in explosive atmospheres. A replacement was found, seeking final approval from the Inspector. The digester pressure test was completed, and tank and pipework held constant pressure without issues. The Varec pressure relief needed adjusting and was recalibrated to achieve certification.

Blower automation preliminary tests completed, and the system is running as intended. Final blower system test/inspection to be undertaken once mortar has been installed and

approved by electrical inspector. Final pressure test and further commissioning scheduled for June.

Recommissioning plan report completed and discussed with operators in June.

Digester 2 had temperature issues last month at the same time we were commissioning Digester 1. Desludging had to be sent straight to the sludge tank for processing. The PH in Digester 2 dropped out and the team needed to correct this with lime. Investigation of temperature issue is currently with the boiler service agent. The commissioning of Digester 1 will remain on hold until Digester 2 issues are resolved. As at the end of June we were 94% through this project.

Levin Wastewater Treatment Plant - Septage Station:

A site meeting was held with Beca to undertake the mechanical & electrical design. The software programming and integration with SCADA, the functional description for the pump operations has been completed and is currently being built. The civil works for the shed and the rising main to the head works are waiting on design completion along with functional description of future work from BECA. Delivery of this work will be some months away, and depending on the time taken for Beca to complete the design, procurement and construction including a rising main to the head of the works, may be to the end of this calendar year.

Levin Wastewater Treatment Plant - Sludge Tank

Galvanising the cover support frame fabrication is complete. The Davit crane has been ordered and the methodology for permanent works has been prepared and issued to contractor.

Temporary sludge storage to be set up and the sludge tank emptying commenced 9th May 2022. The sludge tank emptying commenced week of 9th May with vacuum trucks used to speed up the emptying process. The sludge was disposed offsite to reduce the risk of overwhelming the sludge treatment process. The cover supporting frame replacement and concrete works occurred across 11th - 13th of May. Sludge storage container, diversion chamber, pumps, sensors, pipework set up for flow diversion. Sludge tank back online and new frame and cover installed. Crane plinth was constructed in June. Waiting on lifting Davit to be completed.

Foxton Harbour St, Toilet Block Sewer Pump Station.

Wet well and non-return chamber fitted to site, all services connected to town supply, water, pumping sewer main, storm water, power and telemetry. New sewer pumping station fitted to Foxton Harbour St Toilet block, 160m of directional drilling for power and pumping main also completed.

Foxton Wastewater Plant Irrigation upgrade

Final stage of irrigation approved by Council. Adding another 8 hectares of irrigated land to the scheme. This will help mitigate risk of inflow and over topping currently occurring on site.

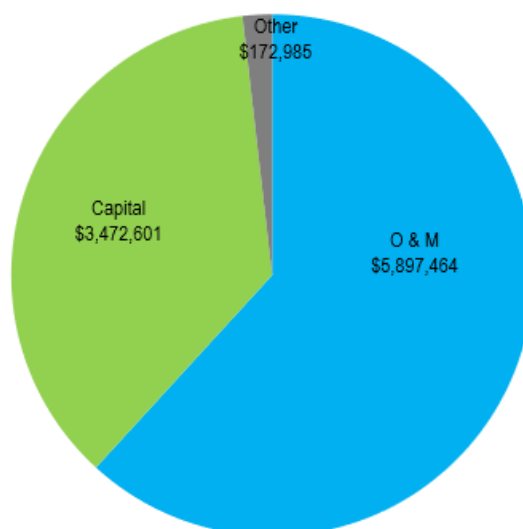
The table below summarizes the financial status of the various projects at the Levin Wastewater Treatment Plant:

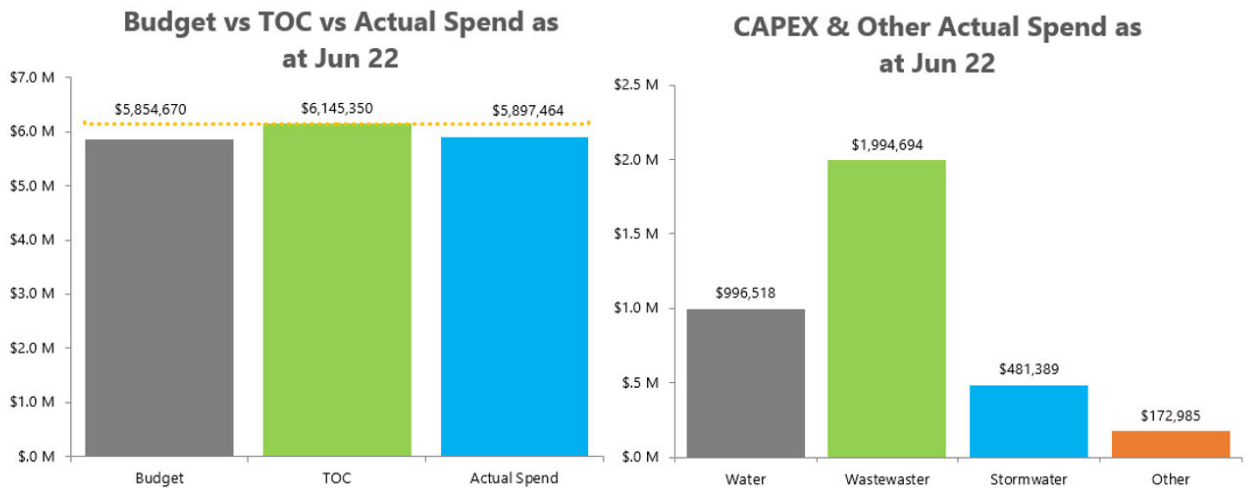
Project	Estimated Total Cost as Reported October '21 ^a	Actual Cost to Date - May 22	Estimated Cost to Complete	Estimated Total Cost as of May '22 ^a	% Complete	Forecast Spend to End of Financial Year	Planned Completion
Digester 1 refurbishment	\$800,000	\$641,499	\$169,398	\$800,000	94%	\$129,398	31-Aug-22
Digester 2 refurbishment	\$800,000	\$0	\$800,000	\$800,000	0%	\$0.00	TBC
Septage receiving station	\$690,000	\$554,409	\$350,591	\$905,000 ^c	55%	\$100,000	Dec-22
Sludge tank temp repair	\$236,000	\$144,527	\$36,106	\$170,000	98%	\$36,106	30-Jun-22
Sludge tank replacement (incl. temporary repairs)	\$1,796,000	\$6,000	\$1,790,000	\$1,796,000	1%	\$6,000	TBC
Headworks modifications	\$506,000	\$509,959	\$0	\$506,000	100%	\$0	30-May-22
Inlet pipe - new	\$840,000	\$239,704	\$637,310	\$840,000	On Hold	\$239,704	TBC

3.4.5 Financial Update

Horowhenua Alliance claims total YTD June 30, 2022 - \$9,543,050 split as below

Total Actual Spend as at Jun 22

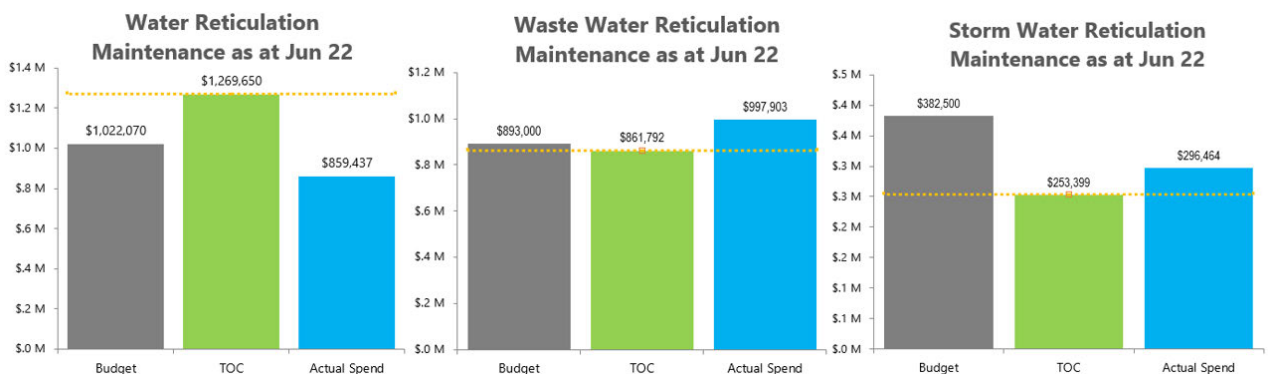


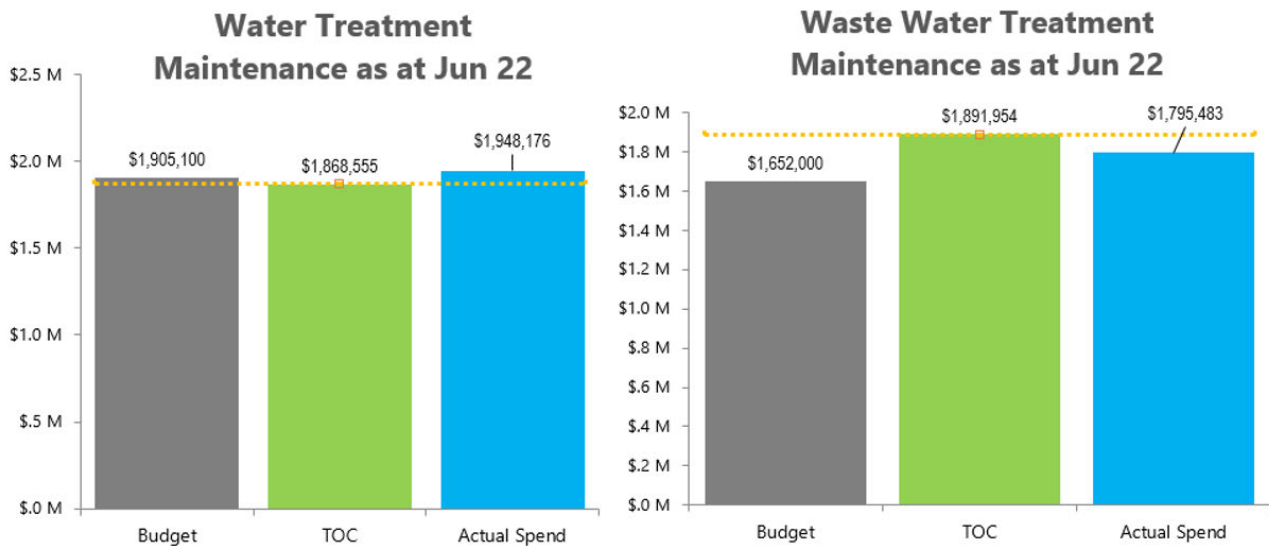


Notes to graphs:

- Includes Limb 1 & 2 costs to give a true reflection of what has been spent against council budgets
- Excludes amounts for the following capital projects: Foxton Wastewater Treatment Plant Strategic Upgrade Stage 1, Stage 2**, Irrigation Phase 2 & 3, and Foxton Futures
- **Variation to Foxton WWTP Strategic Upgrade Stage 2 approved by T Parsons included in this amount for a temporary access road, hard stand, facultative pond bund build up, survey work for K extension, install isolation of air relief plus filtration and installation of lateral, sprinklers and riser off valve.
- Yellow dotted line in 'Budget vs TOC vs Actual Spend' graph shows % of the way through the financial year for actual spend comparison

Operations and Maintenance Spend





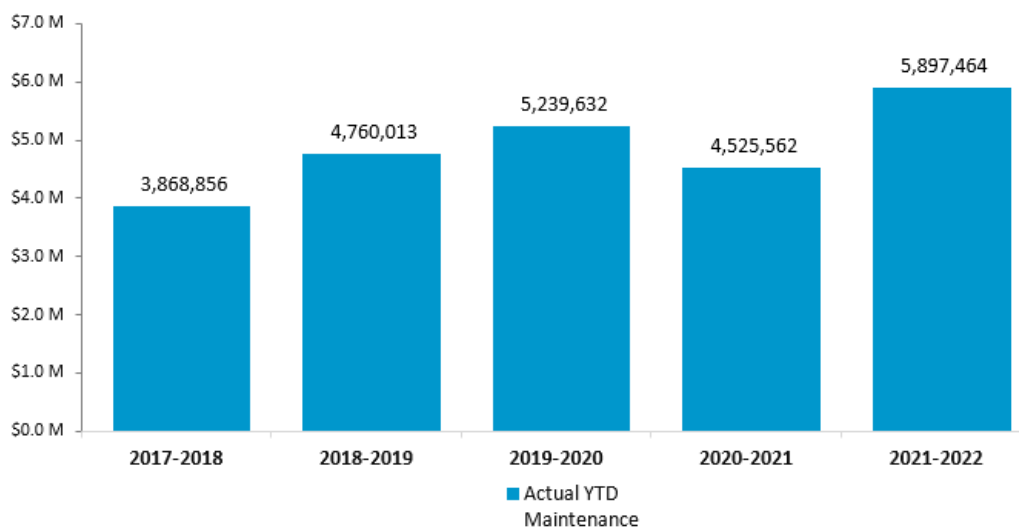
Month	Jun-22			YTD			YTD Variance	
	Budget	TOC	Actual	Budget	TOC	Actual	Budget	TOC
Water Reticulation Maintenance	\$ 85,172.50	\$ 105,804.18	\$ 90,144.77	\$ 1,022,070.00	\$ 1,269,650.14	\$ 859,437.48	\$ 162,632.52	\$ 410,212.67
Waste Water Reticulation Maintenance	\$ 74,416.67	\$ 71,816.02	\$ 68,408.34	\$ 893,000.00	\$ 861,792.25	\$ 997,902.92	\$ (104,902.92)	\$ (136,110.67)
Storm Water Reticulation Maintenance	\$ 31,875.00	\$ 21,116.54	\$ 32,482.39	\$ 382,500.00	\$ 253,398.53	\$ 296,464.10	\$ 86,035.90	\$ (43,065.57)
Water Treatment Maintenance	\$ 158,758.33	\$ 155,712.88	\$ 172,624.01	\$ 1,905,100.00	\$ 1,868,554.57	\$ 1,948,176.29	\$ (43,076.29)	\$ (79,621.72)
Waste Water Treatment Maintenance	\$ 137,666.67	\$ 157,662.84	\$ 195,916.57	\$ 1,652,000.00	\$ 1,891,954.06	\$ 1,795,483.06	\$ (143,483.06)	\$ 96,471.00
	\$ 487,889.17	\$ 512,112.46	\$ 559,576.08	\$ 5,854,670.00	\$ 6,145,349.55	\$ 5,897,463.85	\$ (42,793.85)	\$ 247,885.70

Overall, the Alliance maintenance budget spend for the financial year 2021/2022 of \$5,897,464 vs TOC of \$6,145,350, equating to 96% spent throughout the year.

The underspend on water reticulation maintenance is primarily due to seasonal works and water restrictions. The Digester 1 costs were moved from maintenance to capital costs in December 2021.

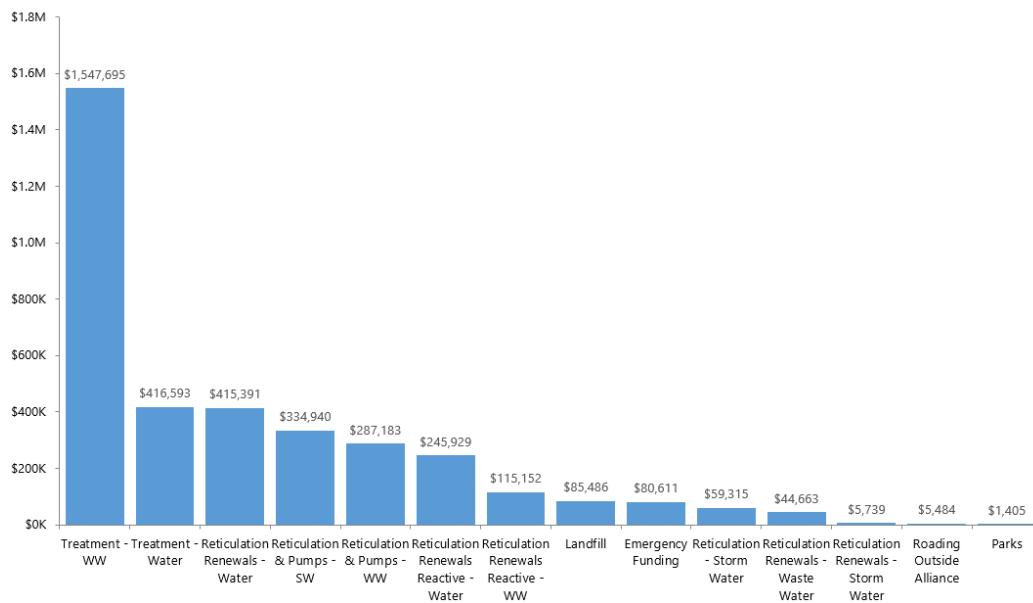
Overspending on wastewater reticulation, stormwater reticulation, and water treatment maintenance is primarily due to weather events in December, January, February, May and June

Actual Maintenance Spend FY17-18 - FY21-22



Capex Spend

Capital & Other Spend by Category as at Jun 22



Attachments




There are no attachments for this report.

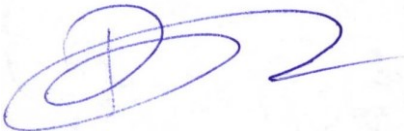

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Arthur Nelson Parks and Property Manager	
	James Wallace Roading Services Manager	
	Asli Crawford Water & Waste Services Manager	

Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
	Monique Davidson Chief Executive Officer	

Infrastructure Development - Activity Update

File No.: 22/296

1. Purpose

To provide the Council with a quarterly update on the projects being undertaken by the Infrastructure Development Group.

2. Recommendation

- 2.1 That Report 22/296 Infrastructure Development - Activity Update be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Key Highlights and Business Priorities

3.1 Tara-Ika - Enabling Infrastructure

3.1.1 Tara-Ika Financials

The overall programme has encountered delays due to the prolonged Plan Change 4 (PC4) process and the delays awaiting WKNZTA's developed design. This has required Officers to rework the sequence and milestone agreement in Council's contract with Crown Infrastructure partners (CIP). Officers have since negotiated a new milestone schedule and cashflow with CIP. The flow-on effect has been a significant carry forward into the 2022/23 financial year and consequent delay in the first major subdivision application from the principal landowner. Once the plan change is clear of the appeal period, the next quarter will see some acceleration in the programme.

The table below outlines the costs to date against the total works programme and details the budgets for 2022/23.

Programme				
Project	Budget (\$)	Cost to date (\$)	Completion Date	Annual Plan Budget (\$)
Tara-Ika	38,100,000	5,312,294	Dec-24	8,698,000
Queen Street Stormwater	2,000,000	428,069	Feb-23	1,507,000
Cambridge/Tararua Wastewater	4,319,827	2,673,710	Dec-22	1,691,000
Tararua Road Roundabout	4,000,000	71,119	Jun-24	1,800,000
Central Trunk Main	2,300,000	24,264	Jun-23	2,300,000
Central Wastewater	1,400,000	5,588	Jun-23	1,400,000

The 2022/23 Tararua Roundabout budget of \$1,800,000 for land purchase, advance material procurement and service relocations has been carried forward from the 2021/22 financial year. This was due to delays in land acquisition and advanced material supply being supported by cost share agreements with WKNZTA and Electra.

The Queen Street Stormwater budget of \$1,571,931 is for the construction of a catchment wide stormwater treatment area for Queen Street. Part of this budget will also be used for land acquisition. Due to the delays with the PC4 and finalising agreements with landowners this has been carried forward to 22/23. It is expected that construction will begin in November 2022.

3.1.2 Cambridge - Tararua Wastewater main

Progress

The new wastewater main along Tararua Road (West) and Cambridge Street (South) is progressing well. There have been some delays due to weather and Covid impacts. The scope has been adjusted to enable the accelerated delivery of the Enterprise Drive intersection and coordination with roading improvements and reinstatement works. This includes new footpath, kerb and channel replacement, soak pit/drainage renewals, intersection safety improvements, new cycle way and road markings.

The contractor has completed laying the watermain and wastewater main upgrade on Cambridge Street. Reinstatement up to the rail crossing intersection with State Highway 1 will be completed by August. The remainder of Cambridge St reinstatement to be completed by September. New main construction is continuing down Tararua Road, currently outside the Electra substation to the east of Roe street. Works are proceeding with due care and caution due to the close proximity of the Electra high voltage underground cables.

Completion of the main on Tararua Road is expected by December 2022.



Kerb and channel on Cambridge Street

3.1.3 Queen Street Stormwater - Phase 1

Progress

Planning for integrated stormwater treatment is well underway. Council have been working with the principal landowner to determine the size and location of the pond and treatment area to inform the required consents and wetland treatment design. Council has engaged consultants to work on obtaining the required land disturbance consent for the proposed on-site stormwater disposal and undertake design of the facility. The facility designs are underway and agreement around cost allocation via a private development agreement (PDA) with the principal landowner is to be finalised over the next quarter before procurement can begin.

3.1.4 Tararua Road – Roundabout

Progress

Council is working with WKNZTA on a roundabout at Tararua/SH7 to enable development and provide significant safety improvements. The project is part of the broader Otaki to North Levin (O2NL) scope. HDC is facilitating the purchase of land utilising allocated CIP funding. Independent valuations have been carried out. Officers are preparing the relevant internal approval documentation to bring to Council next month.

Council is also working with Electra to advance procure long lead items to enable the undergrounding of electricity cables ahead of construction. Cost allocation discussions are underway with Electra and WKNZTA with the intention to order the materials next quarter alongside agreement of cost share for physical works.



Indicative roundabout layout Tararua Road/ SH57

3.2 Waitarere Surf Lifesaving Club

Progress

The Waitarere Beach surf club-building project continues to make good progress. Resource consent has been granted by Horizons. The detailed design phase is nearing completion with building consent application to be lodged late July 2022. Following this, the lump sum price from the Contractor (Homestead Construction) will be provided. A comparison will then be made against an independent QS assessment before negotiating and providing to council for consideration at September Council meeting.



Design rendering of proposed structure

Financials

The cost to date of \$300,745 includes conceptual, developed and part detailed design to building consent stage. This has been undertaken under separable portion 1 of an NZS3916 contract between Council and Homestead construction. It includes input from a range of professional consultants including architectural services, structural engineering, landscape architect, geotechnical, fire assessment, civil design, hydraulic and mechanical, and project management. It also includes professional service fees for obtaining the Horizons consent and internal costs. The unspent budget of \$1,278,255 has been carried forward to the 2022/23 financial year.

Cost escalation is expected and current CTC forecast is a potential variance of \$832,640. This will be confirmed over the next quarter and options for deferral of costs from a staged approach will be provided with the lump sum estimate. Alternative funding sources are also being investigated including surf club grants and other Council funding opportunities.

Council recently received an update from the Surf Club that New Zealand Surf Life Saving has indicated total grant funding of \$1M will be made available, this is currently being formalised.

Overall			2022 / 2023 Financial Year		
Budget (\$)	Cost to date (\$)	Completion Date	Annual Plan Budget (\$)	Cost to Complete (\$)	Variance (\$)
3,158,000	300,745	June 2023	1,504,000	3,990,640	832,640

Risk & Mitigation

Two key risks will need careful management:

Cost escalation and material availability in the building sector. A key risk for the project is additional funding being required to meet the cost of the building's minimum requirements. Value engineering during the design phase will monitor and manage the project within reason. However, the current economic situation is presenting budget challenges that are beyond our ability to manage directly.

External co-fund. The LTP budget has assumed a co-fund contribution from external sources. The surf club has provided a funding application to New Zealand Surf Lifesaving and a favorable outcome has been advised, with grant funding of \$1M to be allocated to the project. They have also received confirmation of an EOI to ECCT funding and will submit an application for funding in the next quarter.

3.3 North East Levin – Coley pond

Progress

No physical work has progressed on Coley pond since April 2022 as the consent does not allow earthworks between May and October.



(High Flow bypass)



(Photo of pond during rain event in May 2022)

Earthworks and finishing works will recommence during October if weather conditions are favorable. Over the next quarter the inlet works will be programmed, wetland planting design will be finalised and detailed design and procurement for the downstream ponds will commence.

Financials

Due to the extended timeframe to achieve the consent and the winter shutdown, \$1,682,000 has been carried forward to the 2022/23 financial year. The remaining works, including wetland and inlet construction as well as the two additional downstream ponds, are being investigated for construction over the summer of 2022/23.

The cost to date includes advance purchase of materials to complete the inlet works.

Overall			2022 / 2023 Financial Year				
Budget (\$)	Cost to date (\$)	Completion Date	Annual Plan Budget	Year to date (\$)	Cost to complete (\$)	Forecast outturn cost (\$)	Variance (\$)

			(\$)				
2,434,738	637,738	April 2023	1,797,000	0	1,797,000	1,797,000	0

3.4 Tokomaru Wastewater Disposal

Progress

Currently in the investigation, design and consenting phase for a new discharge to land treatment system.

A team of specialist consultants and engineers have carried out design and investigation works over the last quarter in preparation of our new long-term consent application to be submitted by December 2022. Field investigations have been completed including infiltration testing and installation of piezometers in several bores across the proposed irrigation site. An environmental effects assessment is underway to set the baseline conditions and monitor thereafter. Design of the planting plan is also underway.

Council has procured Ngati Whakarete to provide a cultural impact assessment to inform the consent application.

Fencing and site security improvements have been completed by Horowhenua Alliance to the existing treatment plant site. New piezometers have been installed to the existing bores to better understand the ground water and implications.

Tokomaru wastewater working party meetings are planned over the 3rd and 4th quarter of 2022.

The project remains on track for lodgment of consent by December 2022. Subject to the consent process, we anticipate detailed design and construction to commence during 2023/24.

Financials

Cost to date include monitoring, design and consenting costs to enable the consent.

Overall			
Budget (\$)	Cost to date (\$)	Completion Date	2022/23 Budget (\$)
8,929,000	383,958	June 2025	696,708

3.5 Poads Road Water Reservoir

Progress

Detailed design and site investigations continue to support the upcoming consent application.

The project team have drafted a Water Supply Operational Framework due for completion in August 2022. The site has been visited by an archaeologist. Early assessment indicates there are no issues arising from the site, however the formal assessment is still in progress.

Further discussions have been held with Ngāti Raukawa hapū and Maupoko Tribal Authority representatives. Further engagement planned for the next quarter alongside development of a proposed Ohau River enhancement plan that will consider improvements including wetland areas at the base of the river terrace.

The team have commenced a pipe bridge and civil works design for the necessary reticulation. Concept designs are due by August 2022.

The team also continue to fine-tune the designs for the intake locations. Business cases are being prepared to compare three intake locations to understand the buildability, operational and environmental issues.

The team remain on track to submit for consent late 2022.

Financials

The project is tracking well against its financial year budget.

Overall			
Budget (\$)	Cost to date (\$)	Completion Date	2022/23 Budget (\$)
33,611,000	371,794	June 2031	605,000

3.6 Development Engineering – Quarterly Report

Overview

The Development Engineering Team (DE Team) is responsible for completing engineering assessments, inspections and approvals associated with subdivision, land use and building consents to meet Council and statutory performance criteria.

During the last financial year, the DE Team issued a total of 120 section 224 subdivision signoffs that yielded 485 new lots. They also carried out engineering assessments for 474 new lots that will come forward to construction in the coming year. Full year to date figures are shown in the table below.

Development Engineering Activity for July 2021 – June 2022					
Type	Q1	Q2	Q3	Q4	Total
All Engineering Assessments, including building consent	51	335	144	146	676
Engineering Assessment # Lots	63	243	68	100	474
Hold Point inspection(s) completed	2	14	6	27	49
Connection Application(s) completed	10	71	26	25	132
Section 223 Subdivision Sign-offs	12	44	30	46	132
Section 223 Subdivision Lots	72	266	128	52	518
Section 224 Subdivision Sign-offs	9	50	34	27	120
Section 224 Subdivision Lots	7	166	207	105	485

Level of Service

The level of service key performance indicators (KPIs) are:

- Engineering Assessments: within 7 working days
- Sec224 signoffs: within 10 working days
- CRM enquiries: within 5 working days

The DE Team have met or exceeded their level of service key performance indicators (KPI's) over the course of the year, despite the increased levels of activity and pressure on resourcing.



Sec224 signoffs

Number of average days: 5



Engineering Assessments

Number of average days: 4



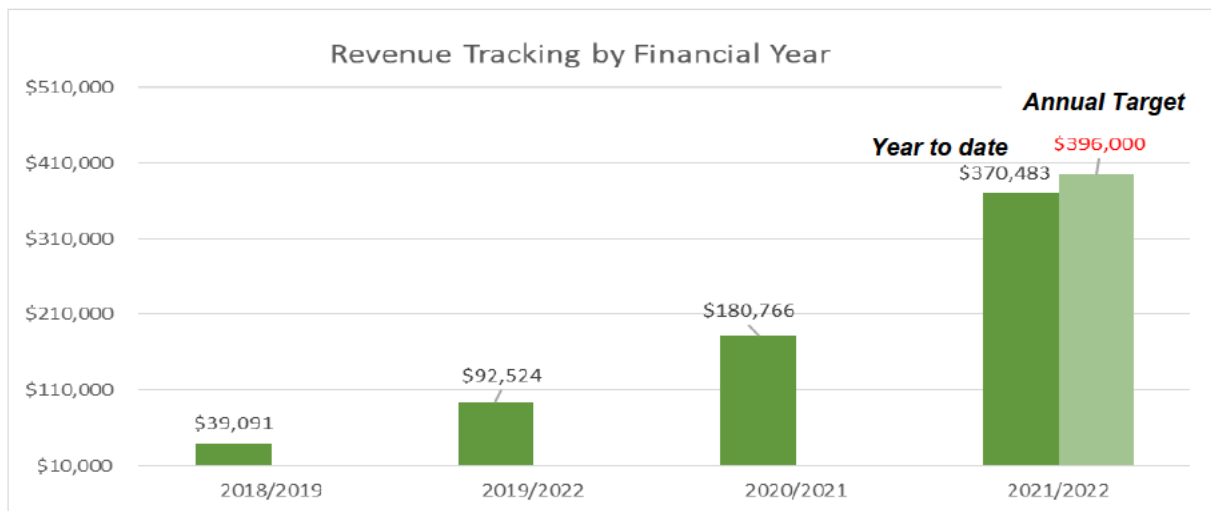
CRM Response

Number of average days: 5

Financial Performance Year to date

The DE Team’s work is chargeable to developers, defined in Council fees and charges. The Local Government Act 2002, Resource Management Act 1991 and Building Act 2004 puts in place a user pays cost recovery, which authorises Council to charge for development engineering work.

The total financial recovery for 2021/22 is \$370,483. The delta from the annual target is due to the team reducing from four to two engineers in Q4 and having to contract part time help from external consultants. There has also been a delay in the large subdivision applications, for example, Taraika that were expected to be under review by now. Nevertheless, the chart below shows the costs recovered has surpassed the last three years combined.



Attachments




There are no attachments for this report.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Daniel Haigh Principal Project Manager	
Approved by	Brent Maguire Group Manager - Infrastructure Development and Operations	
	Monique Davidson Chief Executive Officer	

7.12 Council Resolution and Actions Monitoring Report August 2022

File No.: 22/371

1. Purpose

The purpose of this report is to present to Council the updated monitoring report covering resolutions and requested actions from previous meetings of Council.

2. Recommendation

- 2.1 That Report 22/371 Council Resolution and Actions Monitoring Report August 2022 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

Attachments



No.	Title	Page
A	Council Actions Monitoring Report 2022 - June 2022	261


Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Jody Lygo Democracy Support Officer	
Approved by	Ashley Huria Business Performance Manager	

	<p>Monique Davidson Chief Executive Officer</p>	
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Council Actions Monitoring Report 2022

Completed
In progress
Transfer
Off track

Reference	Resolution/Action	Officer	Due date	Status	Officer Comment
21/502	That the Chief Executive provide a full report on all options in respect of vehicular beach access at Waikawa Beach.	M Davidson	30/11/2022		The Chief Executive is working with the Parks and Property Manager and Horizons Regional Council to explore options. Engagement with the Waikawa community and Ngati Wehiwehi will occur in advance of the report.
22/139	That the Council defer a decision to close the Levin Landfill until 31 December 2025 or at any time earlier than that date, following a full evaluation by the incoming Chief Executive Officer by 30 September 2022.	M Davidson	30/09/2022		<p>Following on from Council's decision in April 2022 for the incoming Chief Executive to evaluate the Levin Landfill Business Case, work is on track to present a report to the September Council meeting that evaluates the current business case, and provides some findings, with a range of recommendations / options on a way forward for Council. This will enable Council to make some form of decision on the Future of the Levin Landfill.</p> <p>The evaluation is specially seeking to understand whether:</p> <ul style="list-style-type: none"> - All options have been presented - Review relevant information and advice provided to support the assessment of options, including assumptions

D22/66651

Last update: 3-Aug-22

					- Whether there are any gaps or new considerations that need to be taken into account.
22/166	That Council requests the Chief Executive to prepare a report into implications of, and options for, granting land access for the Foxton Beach Community Centre to build a three-bay garage, and report on implications and options for boundary line adjustments for the land upon which the Foxton Beach Community centre sits.	S Hester	30/08/2022		Discussions were held between Officers and the Foxton Community Board (FCB) at their workshop of 18 July, with the Board agreeing to fund the subdivision process from the Foxton Freeholding Account. A progress report will be provided to the FCB at their next meeting in late August.
22/166	That Council requests the Chief Executive to work with the Windmill Trust and the Foxton Tourism Development Association (FTDA) to look at options for an alternative storage site for the Foxton Tram.	S Hester	30/06/2023		The tram has been relocated from within the Dutch Oven Building to a private site by FTDA. Officers are investigating funding options for a permanent display of the tram within Te Awahou Riverside Cultural Park.
22/166	That Council enters into a variation of the existing lease for Café Molen in support of option 1, as presented to the Foxton Community Board's meeting of 11 April 2022 – to extend the lease for the Dutch Oven into the current tram storage space.	S Hester	30/10/2022		Officers are working with the De Molen Trust to resolve and finalise lease adjustment.

D22/59985

Last update: 3-Aug-22

7.13 Long Term Plan 2021 - 2041 Monitoring Report

File No.: 22/397

1. Purpose

The purpose of this report is to present to Council the ongoing monitoring report, which reflects the progress of those actions and recommendations from the Long Term Plan 2021-2041 deliberations.

2. Recommendation

- 2.1 That Report 22/397 Long Term Plan 2021 - 2041 Monitoring Report be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. Background/Previous Council Decisions

During Long Term Plan 2021-2041 Deliberations, Council gave direction on a number of actions and recommendations, which are recorded in the attached monitoring report.

4. Issues for Consideration

It is intended that this monitoring report be presented to Council on a quarterly basis.

Attachments

No.	Title	Page
A	Long Term Plan 2021-2041 monitoring report - 31 July 2022	265

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Monique Davidson Chief Executive Officer	
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Approved by	Monique Davidson Chief Executive Officer	
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MONITORING REPORT – Long Term Plan 2021/2041							Completed
							In Progress
							Transfer
							Off Track
Item Description	Topic	Resolved/Actions	Officer	Action by Date	Status	Officer Comment	
Three Waters	1	Council Officers will provide an update on the progress of the Levin stormwater discharge resource consent application on its website by Sept 2022.	A Crawford	Sept 2022	Off Track	June 2022 target not met, now re-scheduled to September 2022.	
	2	Council will provide an update on the Foxton Beach stormwater discharge water quality monitoring, and the resource consent application progress, on Council's website by Sept 2022.	A Crawford	Sept 2022	Off Track	June 2022 target not met, now re-scheduled to September 2022.	
	9	That Council continue working collaboratively with Horizons to deliver the improvements to the Foxton East Drainage Scheme to ensure that best outcome is achieved for the community.	A Crawford	On-going	In Progress	Horizons Regional Council is engaging continuously.	
	11	That Council continue promoting Enviroschools and general water conservation education.	A Crawford	On-going	In Progress	This is an ongoing education programme. HDC website updated to include more information on Enviroschools and how schools can sign up.	
	14	That Council Officers undertake the Levin wastewater treatment plant masterplan in the 2021/22 financial year.	A Crawford	Aug 22	In Progress	This is underway.	
Solid Waste	1	That the Business Case including the Local Government Act 2002, Section 17A Review. This was presented to Council in April 22. Council requested that a review of the Business Case is performed and reported back to Council in Sept 22.	A Crawford	On-going	In Progress	Council requested that a review of the Business Case is performed and reported back to Council in Sept 22.	
	8	That Council continue with the feasibility study for the diversion of green waste and food waste from landfills.	A Crawford	Sept 2022	In Progress	This has started. We are also collaborating with other councils in this regard. Completion date has moved from August 2022 to September 2022	

As at 31 July 2022

Land Transport	1	<u>Public Transport</u> Horizons would be holding a series of workshops beginning in June as part of development of a Regional Transport Plan. That would include considering, at a high level, planning for future growth and the transport needs of the Horowhenua.	J Wallace	Jun 2021		Roading team continue to engage with Horizons.
	5	That Officers continue to develop walking and cycling forward works programmes.	J Wallace	Jun 2021		Awaiting development of Walking and Cycling Strategy
		That Officers develop a 'Walking and Cycling Strategy', with input from key stakeholder groups.	J Wallace	Jun 2021		Walking and Cycling Strategy not progressed at this stage, but revised timeframe currently being considered and scheduled into work programme.
		That Officers will investigate whether a similar education programme to 'bikes in schools' could be made available for our local schools.	J Wallace	Jun 2021		Will be included as part of the Walking and Cycling Strategy
	6	That the Roding Team add the concern of pedestrian safety at Salisbury Street (Queen Street to Bath Street) to the Forwards Works Plan for investigation.	J Wallace	Jun 2021		This issue has been included in the Forward Works Programme.
	8	That officers continue to advocate on behalf of the district for the construction of Ō2NL.	B Maguire	On-going		Elected Member briefing with Waka Kotahi scheduled for 16 November 2021
	9	That officers continue to advocate Waka Kotahi for the investigation and delivery of appropriate safety interventions for the Manakau section of the existing State Highway 1.	B Maguire	On-going		Elected Member briefing with Waka Kotahi scheduled for 16 November 2021.
	9	<u>Ō2NL Revocation</u> With the desire expressed for Elected Members to be more involved with this, it was stressed that this was part of the Horowhenua Integrated Transport Strategy and Council was doing everything it could in relation to Ō2NL.	D Haigh/ B Maguire	On-going		Elected Member briefing with Waka Kotahi scheduled for 16 November 2021.
10	That Officers involved in Ō2NL discussions raise KEAG's desire for the inclusion of a Bridleway in the proposed shared pathway, which integrates where possible with the existing Bridleway network of the Kāpiti Expressways.	B Maguire	On-going		Elected Member briefing with Waka Kotahi scheduled for 16 November 2021.	

As at 31 July 2022

Community Infrastructure	2	<p><u>Foxton War Memorial Hall</u> <i>THAT the Horowhenua District Council supports the transfer of Foxton Memorial Hall to the Foxton War Memorial Hall Interim Committee (FWMHIC).</i></p>	A Nelson	Ongoing		Officers have begun discussions with the Foxton War Memorial Hall Interim Committee and have provided seismic assessments for the building.
		<p><i>THAT negotiations with the Foxton War Memorial Hall Interim Committee will include, but not be limited to:</i></p> <ul style="list-style-type: none"> - ownership of land and building to be transferred to FWMHIC upon receipt of a satisfactory Business Plan and the CEO and both Kere Kere Ward Councillors to complete due diligence before 30 June 2022; - there is no burden on Council' - provision of a business case to identify how the facility will become self-funding; - how the FWMHIC will fund ongoing renewals of the building in order to maintain it in a fit-for-purpose condition going forward; - Māori and Youth representation on the Trust Board to be encouraged; - seed funding provision no greater than one year of the existing maintenance budget. - the completion of seismic strengthening by 2031; - should the FWMHIC disband, Horowhenua District Council will be given first option to take ownership of the land and building at no cost to Council. 	M Davidson	Jun 2022		
	6	<p><u>Grant to Save Our River Trust (SORT) to undertake flow modelling</u> <i>THAT the Horowhenua District Council supports funding SORT to help clarify the viability/effect of reconnecting the river loop of \$10,000 per annum to the organisation for the next three years.</i></p>	M Rogerson	Aug 2021		Complete.
		<p>Council to continue to lobby Central Government in relation to the River Loop as it was not a Council decision initially that gave rise to this issue.</p>	M Davidson	On-going		

As at 31 July 2022

12	Officers develop an improvement plan for Kennedy Park as part of its workload in 2021-2022 financial Year.	A Nelson	Jun 2022		A concept plan has been produced
16	<u>Improvements and Seismic Strengthening of the Coronation Hall in Foxton</u> <i>THAT the Horowhenua District Council confirms its willingness to continue working with MAVTech.</i>	A Nelson	Aug 2021		Letter of support provided 09/11/2021.
17	Officers will engage with all stakeholders in any forthcoming review of the Mackenzie Trail in Foxton Beach	A Nelson	Jan 2022		The main user of the Mackenzie Trail is the NZ four-wheel drive club. The four-wheel drive club are members of MET. There was a meeting of MET and the statutory authorities (HDC, DoC, and HRC) in mid-June 2022 to discuss this and other matters.
20	<u>Naming of Reserves</u> <i>THAT the Horowhenua District Council supports officers to discuss with local iwi, a potential Te Reo name for the River Loop Reserve, with a view to undertaking wider consultation with the community concerning the proposed name.</i>	A Nelson	Jan 2022		Officers currently scoping works with a view to engaging with iwi and other stakeholders early in the New Year
21	Council will discuss the potential installation of additional signage recognising the unique communities on Foxton Beach foredunes with MET and other stakeholders.	A Nelson	Sep 2021		Matter raised with MET in October 2021 meeting.
22	Officers from the Parks and Property and Roading Teams will continue to investigate the opportunity to install a shared pathway connecting Queen Street shared pathway and Mako Mako Road in the 2021/2022 Financial Year.	A Nelson / J Wallace	Jun 2022		Awaiting further development in the Walking and Cycling Strategy
23	<u>Butterfly Pathway</u> <i>THAT the Horowhenua District Council supports in principle the establishment of a butterfly pathway at the Thompson House Remembrance Park and helps clarify wider community support, with consideration to be given to providing a contribution (if any) at the next Annual Plan.</i>	A Nelson	Mar 2022		Report provided to Council August 2022 seeking a detailed business case for the design and construction of a butterfly pathway.

As at 31 July 2022

Property	1	<u>Foxton Courthouse</u> THAT the Horowhenua District Council does not support providing funding to strengthen the Foxton Courthouse Museum for the purpose of establishing a Foxton Heritage Centre.	A Nelson	Jun 2021		Officers will write to the current Lessees (Foxton Historic Society) confirming Council's position and requesting from the Lessee its further proposals.
	2	<u>Shannon Railway Museum</u> THAT Shannon Progressive Association Inc. is granted approval to undertake the installation of front steps leading into the Shannon Railway Station Museum and Visitor Centre themselves under Council facilitation, guidance and approval.	A Nelson	Aug 2021		Complete - letter provided.
		THAT the Horowhenua District Council works with the WBSLSC building working party to source third party funding contributions of \$1.m towards the feasibility, design and build of the new building at Waitāre Beach. Year 1 - \$200,000, Year 2 - \$800,000.	T Parsons	Jun 2022		Application submitted by Waitāre Beach Surf Lifesaving Club to New Zealand Surf Lifesaving Club.
	6	The CE and Officers engage with the Waitāre Beach Surf Lifesaving Club building working party to determine the optimum method of fast tracking the building project	T Parsons	Jun 2022		Procurement of design and build contractor underway.
Community Support	3	<u>Community Engagement – Levin Community Patrol</u> THAT the Horowhenua District Council approves a 'Contract for Service' between and the Levin Community Patrol, for the purpose of Community Patrol Services in Levin. The Contract for Service will be for a period of three (3) years, with a value of \$15,000.00 (GST inclusive), of which \$5,000.00 will be paid annually. Included in the Contract for Service will be reporting requirements to which the Levin Community Patrol will need to adhere. Officers note that provision of this contract, as recommended, can be accommodated within the proposed draft LTP budget.	M Rogerson	Aug 2021		Completed
	8	<u>Community Engagement – Neighbourhood Support</u> THAT the Horowhenua District Council approves a 'Contract for Service' between Council and Horowhenua District Neighbourhood Support Inc. The Contract for Service will be for a period of three (3) years, with a value of \$25,000.00 (GST inclusive) per annum. Included in the	M Rogerson	Aug 2021		Completed

As at 31 July 2022

		<i>Contract for Service will be reporting requirements for the Horowhenua District Neighbourhood Support Inc. Officers note that provision of this contract, as recommended, can be accommodated within the proposed draft LTP budget.</i>				
9B		<u>Community Engagement – CCTV Foxton</u> <i>THAT the Foxton Community Board makes formal contact with the Horowhenua Crime Prevention Camera Trust, to encourage the Trust to pursue the establishment of CCTV in Foxton Town Centre.</i>	M Rogerson	Oct 2021		Completed
11		<u>Community Engagement – Crime Prevention Trust</u> <i>THAT the Horowhenua District Council approves a 'Contract for Service' between Council and Horowhenua Crime Prevention Camera Trust. The Contract for Service will be for a period of three (3) years, with a value of \$15,000 (excluding GST) per annum. Included in the Contract for Service will be reporting requirements to which the Horowhenua Crime Prevention Camera Trust will need to adhere. Officers note that provision of this contract, as recommended, can be accommodated within the proposed draft LTP budget.</i>	M Rogerson	Aug 2021		Completed
		<i>THAT a report be provided on how Council could maximise external funding opportunities.</i>	M Davidson	Jun 2022		Complete. Reported prepared by DCEO and provided to CE.
Late Item		<u>Foxton Beach Utility Vehicle Project</u> <i>THAT, as recommended by the Foxton Community Board, the Horowhenua District Council approves the allocation of a sum of up to \$60,000 from the Foxton Beach Freeholding Account for the purchase of a utility vehicle for the Foxton Beach Volunteer Fire Brigade.</i>	G Rowse	Dec 2021		Funds have been approved, vehicle has been procured through Fire and Emergency New Zealand, and is currently undergoing fit out.
3		Council's Community and Social Development Team support Levin Community Patrol to build capacity to apply for alternative funding and grants.	M Rogerson	Aug 2021		Officers met with PBPA November 2021. Meeting was delayed due to COVID restrictions
6		Council's Community and Social Development Team meet with the Foxton Beach Progressive Association to understand what their goals and objectives are, and understand how Council could support them to develop community-led events.	M Rogerson	Sep 2021		Officers met with PBPA November 2021. Meeting was delayed due to COVID restrictions

As at 31 July 2022

		As part of Council's community capacity-building programme, Council hosts a grants and funding workshop in Foxton in the 2021/2022 financial year.				
	8	Council's Community and Social Development Team support Horowhenua District Neighbourhood Support Inc. to build capacity to apply for alternative funding and grants.	M Rogerson	Aug 2021		Completed
	11	Council's Community and Social Development Team support Horowhenua District Neighbourhood Support Inc. to build capacity to apply for alternative funding and grants for the capital expenditure requested.	M Rogerson	Aug 2021		Completed
Economic Development	15	Implement the operational Economic Development Implementation Plan (which incorporates Destination Management). Council and Foxton Community Board discuss the role Foxton Community Board would like to play in economic activities.	D McCorkindale	June 2022		Council resolved the Service Contract with The Horowhenua Company Limited effective 01 October 2021 to 30 June 2024. The Service Contract includes the prioritised actions for delivery as per the Economic Development Action Plan. The Brand Identity Project has commenced, and the development of the Events Strategy and Implementation plan is underway as the top two priorities of the Destination Management Plan.
	3	That Council Officers engage with YEP, survey respondents and users of the space to better understand what activities and programmes interest them, and to test the need for any future spaces created in the Youth Space. This engagement will commence in Year 1 of the LTP in advance of the Youth Space being renovated.	B Harvey	Jun 2022		Staff have taken the opportunity to gather commentary from our interaction with youth throughout Youth Week, both in the delivery of programming and promotion at the colleges. Staff are scheduled to attend the next scheduled YEP

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						meeting where we will direct seek input from the members of the group
Representation & Community Leadership	4.	<u>Housing</u> This was currently out of the scope of current operational budgets but Elected Members would have an opportunity to consider the Housing Action Plan to determine whether extra resources would be required.	D McCorkindale	June 2022		Officers have launched the Streamline Housing Process in March 2022 from within current budgets Further actions from the Housing Action Plan will be considered when the new Group Manager Housing and Business Development has been appointed. At that point there will be a better understanding of the operational budget needed to support the actions.
	2	That Council officers continue to progress work to identify and protect Cultural Sites as part of the District Plan activity and that this be done in partnership with Iwi.	C Dick			No progress has been able to be made on this yet as the capacity and focus of officers has been dedicated to progressing current plan changes 4 and 5 and the housing and urban growth related plan changes. Delays in the decision on Plan Change 4 has continued to draw on the current capacity, this combined with the resourcing currently available to support progressing the existing plan changes means that there will be very limited capacity to being able to progress the sites of cultural significance work in a meaningful and genuine way. Additional external support has

As at 31 July 2022

						been commissioned to help officers set up an iwi engagement process for the current plan change work. As iwi engagement on proposed plan changes progresses there will be work that crosses over between these plan changes and a sites of cultural significance plan change.
17	That the group reviewing the Foxton Beach Freeholding Account Strategy and Policy considers the points relevant to the freehold account from the submission of the Foxton Beach Progressive Association to the LTP 2021-2041.	M Davidson	On-going			
26	That Council officers engage with Hospitality NZ (and related parties) on ways which Council can increase support to the Tourism/Hospitality sector and enhance commercial business settings in Horowhenua.	D McCorkindale	June 2022			This will be part of the work that the new Group Manager Housing and Business Development will lead. This engagement will take place once the new role is recruited.
27	<p>The Information Services Team investigates options to improve the hardware in Council Chambers and meeting rooms to better support access bility.</p> <p>The Information Services Team investigates automated closed captioning versus other vendors providing transcription services and provide advice on options within the next 3 months.</p> <p>The Information Services Team continues to promote Microsoft Teams use and the use of closed captioning when required.</p>	S McTaylor-Biggs	July 2022			Options have been reviewed, costed and agreed. Solution includes overhaul of some of the AV equipment and improvements to existing systems planned to take place on 15-16 August 2022. An interim solution remains to use the closed captioning services provided by Microsoft & YouTube. Transcription services can also continue to be booked if/when required. There have been no requests or complaints raised about this service. Information Services is working closely with Democracy team on overall solutions for Council chambers

As at 31 July 2022

	28	That Council's Health and Safety Committee lead the review and completion of the Council's Draft Sun Protection Policy and the review of Council's Smoke free Environment Policy in the 2021/2022 financial year.	A Huria	Jun 2022		Policies have been reviewed and are on the agenda for adoption June 2022 Council Meeting
	31	Officers to make contact with Muaūpoko iwi representatives in regards to the Muaūpoko Report	M Davidson	On-going		

As at 31 July 2022



7.14 Mayoral Report to 31 July 2022

File No.: 22/396

1. Purpose

The purpose of this report is for His Worship the Mayor to report to Council on community events and Council-related meetings he has attended during then months of June and July 2022, and provide an update on items of interest.

2. Recommendation

- 2.1 That Report 22/396 Mayoral Report to 31 July 2022 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

3. June and July 2022 - Meetings, Functions and Events Attended

June 2022
Climate Action Plan Committee – meeting with the Co-Chair
Ō2NL Gateway Review
June Projects Steering Group meeting
Levin Landfill briefing for Council
Muaūpoko Tribal Authority hui
Wellington Regional Leadership Committee meeting at Parliament with MPs Paul Eagle and Chris Bishop
Samoa Language Week event
Police Area Commander quarterly catch up
Zoom Meeting with Hon. Carmel Sepuloni
Horizons Regional Council – catch up with Councillors Emma Clarke and Sam Ferguson
College Old Boys 75 th Jubilee event
Shannon Kai Hub and Ngā Toi - Aroha Opening
Horowhenua District Residents and Ratepayers Assn meeting
Mayoral Relief Fund Panel meeting
Emergency Management Joint Standing Committee meeting
Regional Transport Committee Meeting
Regional Chief's quarterly meeting
Te Tumatakahuki monthly hui
Levin Community Patrol AGM
June Council Meeting
LGNZ Reforms Update for Mayors and Chief Executives
Volunteer Recognition Event 2022

Lions Change Over and Award Presentation Dinner
Catch up with MP Terisa Ngobi
Waka Kotahi meeting re Ō2NL
Mayoral Relief Fund Panel meeting
Rural & Provincial Meeting
Community Workshop with Eastern & Central Community Trust
Alliance Meats meeting
Foxton Community Board June meeting
Smokefree 2025 Action Plan meeting
Mayoral Relief Fund Panel meeting
Mayor's Taskforce for Jobs – celebration for local students
Meeting with MSD Regional Commissioner
Council Workshop – Foxton Pool
Extraordinary Council Meeting
Council Workshop – Three Waters Reforms
Council de-brief – Weather event/tornado
Council briefing – Ō2NL Business Case
Horowhenua Breath Easy Support Group meeting
Meeting with Kelly Fox – Horowhenua Traffic Page
LGNZ Reforms update for Mayors and Chief Executives
Extraordinary Council meeting
June Finance, Audit & Risk Committee meeting
Council workshop – fluoridation
July 2022
Mayoral Relief Fund Panel meeting
Pacific Leaders fono
Te Tumatakahuki monthly hui
Associate LG Minister Kieran McNulty Visit
Meeting with local Police
District Plan working group meeting
Council briefing – Liquefaction
Council session - Better off funding
Visit to Central Hawkes Bay District Council – Mayor's Taskforce for Jobs
LGNZ Reforms update for Mayor's and Chief Executives
Hui with Ngāti Tukorehe representatives
Taitoko Night Market
Monthly catch up with MOP Terisa Ngobi

Catch up with Tuia mentee
Horowhenua Freshwater Management Unit meeting
Rural Community Resilience Programme meeting
Special Reforms update
Horowhenua Identity Refresh meeting
Rural Community Resilience Programme -
Meeting with Waitarere Beach Wardens and Police
Grey Power meeting
Limitless Local: Exploring the Future for Local Government zoom #2
LGNZ Conference
LGNZ Excellence Awards function
Meeting with Audit NZ
Horowhenua FMU Water Quality Interventions Governance Group
Wellington Regional Leadership Committee meeting
Welcoming refugees into Horowhenua - collaborative community hui
Levin Landfill engagement sessions
LGNZ AGM
Prime Minister visit to RJs
Manakau District Ratepayers Assn – meeting with chair.
Horowhenua Taste Trail launch
Celebration of Neil Perfect's Life at the Horowhenua Art Society Studio
Foxton Beach Progressive AGM.

4. Submission to the Three Waters Entities Bill

The Water Services Entities Bill provides the legislative basis for the Government to establish the four new publicly-owned water services entities which will be responsible for providing safe, reliable and efficient drinking water, wastewater, and stormwater services to the country from July 2024 onward.

The Bill sets out the ownership, governance, accountability arrangements relating to these entities and includes essential provisions for ongoing public ownership and engagement, and safeguards against future privatisation.

The Bill also provides for transitional arrangements relating to the establishment and governance of the new entities; strategic direction, planning and reporting; employment; and the oversight powers of the Department of Internal Affairs during establishment.

This piece of legislation does not transfer assets and liabilities from local authorities to water services entities, or establish powers and functions for the entities in relation to managing the provision of water services. These matters will be addressed in a second bill, which will also integrate the entities into other regulatory systems, such as the resource management and economic regulatory regimes. This legislation is anticipated later in 2022.

The Chair of the Finance and Expenditure Committee called for public submissions on the Water Services Entities Bill. Horowhenua District Council's submission is attached.

5. Local Government New Zealand Conference 2022

The LGNZ Conference 2022 programme was very full and interesting. There were many highlights and all presenters, including the Prime Minister, the Minister of Local Government, the Minister of the Environment, the Leader of the Opposition and many others gave us insights into the challenges and changes that are happening within the Local Government sector.

The conference started with the Mayor's Task Force for Jobs AGM where we heard of the continuation of positive outcomes from the programme and also from Central Hawkes Bay District Council on how they had successfully implemented "Jobs in Central Hawke's Bay". This initiative was recognised in the LGNZ Excellence Awards as the winner of the Economic Wellbeing category.

Following that there were a number of plenary sessions which engaged us on topics and issues including from Young Elected Members perspectives, the reimagining of Local Government, Co-Governance, Environmental Well-being, Economic Well-being, Preparing for Reforms, the Review into the Future of Local Government, Social Well-being, Cultural & Arts Well-being, plus keynote speakers presenting on "the future" and dealing with some of the mental challenges of life.

There was much talk and discussion about the future challenges for Local Government and how we need to embrace those changes and be prepared for them. There was particular emphasis on the changing face of elected membership, our partnership with Iwi/Māori and climate change.

6. Outcome of Remits to the Local Government New Zealand Annual General Meeting

The LGNZ AGM was held Thursday 28 July 2022. An item on the agenda was the consideration of remits that had been put forward by various Councils around the country, which if accepted, form part of LGNZ's work plan for the coming year.

Six remits were considered resulting in the following outcomes:

<p>Calls on central government to fully and permanently fund free public transport for students, community service card holders, under 25s, and total mobility card holders and their support people.</p> <p>Joins the Aotearoa Collective for Public Transport Equity (ACPTE) in support of the Free Fares campaign.</p>	Carried
<p>That LGNZ call for an independent review into the way in which government, through Waka Kotahi, fund transport investments in Aotearoa. This includes funding of new developments and maintenance programmes.</p>	Carried
<p>That LGNZ implement a nation-wide working group of subject matter experts with the objective of formulating an action plan to effectively enforce the Land Transport Act 1998 and work with police to tackle illegal street racing and the antisocial behaviour associated with it.</p>	Carried
<p>That LGNZ lobby Government to implement an infringement notice regime for general bylaws.</p>	Carried
<p>That LGNZ requests the Government to:</p> <ul style="list-style-type: none"> • Restrict the sale of vaping products to R18 specialist vape stores. • Develop proximity limits to prevent the clustering of vaping product retailers and protect young people. 	Carried
<p>That LGNZ poll the membership on any significant issues.</p>	Carried

7. An Update on the Mayoral Relief Fund

In total the Mayoral Relief Fund reached a total of \$280,000 made up of contributions from Council (\$100k) and Central Government (\$100k), the Horowhenua Company (\$50k) and the remainder donated by the community.

We have received a staggering 95 applications to date and have granted \$111,000 to 78 individuals and businesses who were affected by the 20 May tornado.

Attachments


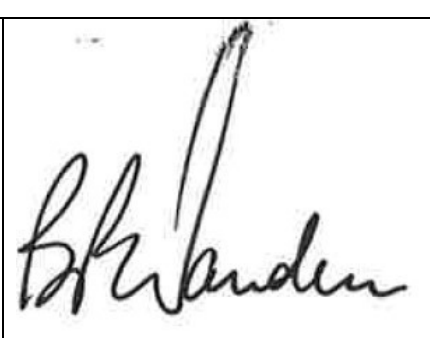
No.	Title	Page
A1	Horowhenua District Council - Water Services Entities Bill Submission - 22 July 2022	280

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author(s)	Bernie Wanden Mayor	
Approved by	Bernie Wanden Mayor	



22 July 2022

Finance and Expenditure Committee
Parliament Buildings
Wellington

Dear Members of the Finance and Expenditure Committee

Horowhenua District Council (the Council) thanks the Finance and Expenditure Committee (the Committee) for the opportunity to submit on the Water Services Entities Bill (the Bill).

Council position

In October 2021, Council provided honest and constructive feedback to the Minister of Local Government about the then proposed direction of the Three Waters Reform. The Council supports reform of the three waters sector but did not support that reform proposal. Council raised a number of issues and suggestions for improvement. As many of the fundamental matters we raised have not been addressed, Council opposes this Bill.

It is Council's position that:

- *Council considers the sequencing of three waters reforms ahead of finalisation of the Government's own concurrent future of local government review is ill-considered and inappropriate;*

The Three Waters Reform will have a significant impact on the future functions of local government. Council considers it is appropriate to proceed with the Future of Local Government discussion ahead of the Three Waters Reform. The Future of Local Government reform should provide the over-arching direction for the responsibilities and requirements for local government. This would clarify the activities to be delivered by local government, which could guide the future of water service delivery in Aotearoa New Zealand.

The Resource Management Reforms are also likely to have a significant impact on three waters service delivery, including regulation of the disposal of wastewater effluent and stormwater. The detailed requirements for Spatial Planning will also be important in setting direction for growth investment by the new water service entity.

- *There are other credible and workable models and approaches that should have, and could still, be explored (by Government or councils themselves) as an alternative to, or enhancement, to the current reform proposals;*

Council acknowledges that the reform proposals are well advanced and that Government is seeking feedback on a single model as the solution to the identified problems as well as an optimal mechanism to achieve desired Government outcomes. However, Council thinks the policy development was focused on the Scottish Water Model from an early stage, and not on what communities want to prioritise and support.

In the Horowhenua context, Council believes alternative options could offer similar advances while minimising the loss of local influence and accountability. Council recommends Government to consider alternative methods to deliver efficient three water services, for example through a Council Controlled Organisation that service multiple councils in a region or an expansion of the current alliance delivery model. In the Council's opinion, the issues of taking time to consult the

public and creating bespoke legislative clauses, identified in [DIA's information to support submissions](#), are not sufficient reasons to rule out this option.

- *Absence of community engagement*

The Council's October comments to the Minister represented an organisational and elected member perspective. While it took account of some community sentiment and views expressed to Council, we emphasise that the Horowhenua district community had not been formally engaged or consulted on the reforms. That reflected that Council had not been in a sufficiently informed position, nor did Council consider it appropriate, to 'sell' the Government reforms to the district's communities. Council said that before a meaningful community conversation could be had about the reforms, the fully formed final and detailed proposal, along with what opportunities, risks and trade-offs it presents, and ultimately what decision (if any) Council are being asked to make or implement, needed to be presented.

That did not happen. Information has not been provided to adequately inform communities of the detail and consequences of the proposed reform. Nor has it enabled the community to discuss the proposals with those designing and advocating for them. While anyone is able to submit on this Bill it is providing feedback on a proposal not fully explained and is not a forum for early discussion with those who designed and advocate for the proposed reform.

The introduction to the Bill states:

"Water services are an essential building block for communities. Public health and well-being, better environmental outcomes, economic growth and job creation, housing and urban development, climate change, resilience to natural hazards, and the rights and interests of iwi and Māori all depend on better outcomes for those services."

The Council fully supports that comment. These are key issues our community faces and deals with. Further, it is disappointing that "partnering and engaging early and meaningfully with territorial authorities" has been relegated to it an Operating Principle of water entities (clause 13(f)) rather than a feature of the reform process itself.

It is paramount that the voices of the Horowhenua community are heard and responded to. The district's community has concerns around issues such as additional charges. Council needs assurance that the Horowhenua community has their concerns answered, feels well informed and understands the pros and cons of reform. Council wants our community to be engaged with for significant decision making for Three Waters infrastructure, at a minimum, to the level of community engagement currently carried out by Council.

The continued absence of such engagement on these "essential" services is a further reason the Council does not support the approach proposed.

Council stands by its earlier position that the Government should immediately pause the current reform programme to consider appropriate sequencing and allow for the investigation and development of other alternative more localised or regional collaborative or aggregated approaches to achieving better three waters outcomes.

Council recommends that the approach is changed and an enduring solution is sought through a genuine cross-party process. Many organisations, councils and communities want the three waters system to be reformed. There is genuine interest in working together to develop a solution for such an essential service. By listening to sentiment in the wider community and local government sector the Government would not be 'losing' by pausing. When it comes to matters such as the provision of a safe and reliable water supply, parties shouldn't be 'winners' or 'losers'.

It's our communities who lose through this approach. On one hand, communities face implementation of a system they have not had input into and do not support. On the other hand, the needed reform will be delayed if this legislation is repealed if there is a change of

Government. The three waters reform process purports to have community interests at heart, but that is not what is playing out.

By listening and holding further discussions and taking a cross-party approach, people would view that bold step as it should be seen – brave and the right thing to do. It is how we want our leaders to lead.

Council recognises that such a decision is not made by the Select Committee, however Council recommends that the Committee strongly recommends a cross-party solution be developed and that the Bill not proceed as proposed.

Select Committees are known as Parliament's workhorses, where Members of Parliament work together to improve legislation and delve into issues. There is a very real opportunity here to make a significant and positive difference to future of the three waters reform.

However, if the Bill is to proceed, Council supports and endorses the submissions by Local Government New Zealand (LGNZ), Taituara and Communities for Local Democracy. Council makes the following additional points and recommendations:

Part 1 - Preliminary Provisions

As above, Council does not support *clause 3 - Purpose* and opposes the establishment of 4 water services entities as proposed.

However Council does support any model being required to give effect to Te Tiriti o Waitangi/the Treaty of Waitangi and Te Mana o Te Wai as in clause 4.

Part 2 - Water Services Entities

- **Objectives**

Council supports the inclusion of clause 11(f) requiring water services to be delivered '*in a sustainable manner that seeks to mitigate the effects of climate change and natural hazards*' but recommend it go further and be required to be delivered in a manner that not only mitigates but '*supports or improves*' community resilience.

The Council recommends that a clause be added to require the water service entities to implement sustainable procurement practices throughout the supply chain including contributing to local employment and economic activity.

- **Functions of water entities**

The Council recommends that a new subclause 12(c) be added to clarify that this clause includes giving effect to providing for new and existing businesses as committed to in Spatial Plans and Long Term Plans.

Any reform of Three Water Services must, at the very least, guarantee the delivery of the LTP 2021-2041 adopted by the Horowhenua District Council in June 2021, and other associated plans and strategies, such as Council's 30 year Infrastructure Strategy, Asset Management Plans and Integrated Spatial Plan. This is what is required to meet the district's future growth and what its community expects to be delivered, and therefore these expectations must be met.

Managing Growth

Three Waters has been a focus for Horowhenua in Council's strategic planning, as the infrastructure is a key enabler for the district's ability to provide for a population growth projection of around 30,000 across the district over the next 20 years.

The Council is taking a proactive approach to planning for growth. At a regional level Council has been a key partner in the development of the Wellington Regional Growth Framework and the Manawatū-Whanganui Regional Spatial Plan.

Horowhenua is in the midst of an exciting transformation. The district is undergoing significant growth and it is essential that there is continued investment in its infrastructure. Levin in particular is experiencing significant growth pressures due to its proximity to the major centres of Wellington and Palmerston North and its availability and affordability for housing developments. The district is currently growing at a rate higher than the 95 percentile population growth rate factored into the Long Term Plan 2021-2041.

Council has provided \$231.7m in that Long Term Plan for enabling infrastructure investment across the housing development areas, with \$191m of that planned for three waters infrastructure. Key strategic three waters infrastructure planned within 10 years include:

- Alternative water supply for the growing population, as well as investigating sources of sustainable supplementary water supply for providing resilience and climate change mitigation.
- Levin Wastewater Treatment Plant and treated effluent disposal site which is locally known as The Pot (irrigated to forestry mixture of exotic and native trees).
- Full service water and wastewater reticulation upgrades to serve our growing settlements.

Alongside growth investment Council has invested significantly in its wastewater infrastructure with close to full irrigation of wastewater to land and for safe water supplies. This investment and ongoing renewal and maintenance has ensured continuity of service and wellbeing for our community.

Council has also worked hard to ensure that its three waters infrastructure and service activity be delivered in a way that recognises the role of iwi partners. This partnership approach has influenced Council's approach to wastewater treatment and delivery of safe water to the district's communities.

Council's Long Term Plan prioritised master planning for the Levin water supply and wastewater are finalised. Council want to ensure that a robust work programme is developed that meets current and future demand. Council also need certainty on ensuring its district will receive, at the very minimum, the same level and timing of current planned growth infrastructure.

This investment has the support of our community who we consulted during development of the Long Term Plan, and is needed to support the growth and future of our district. Therefore, we recommend that the functions of water services entities includes giving effect to providing for new and existing businesses as committed to in Spatial Plans and Long Term Plans.

- **Operating principles**

The Council welcomes the inclusion of clause 13 (f) '*partnering and engaging early and meaningfully with territorial authorities*'. In addition, Council suggests that the water service entities are required to follow consultation requirements with local communities and councils, similar to the requirements for local authorities in the Local Government Act 2002 (LGA). (Please see *Engagement* on page 6 for more).

- **Duty to provide funding and information**

Council recommends clause 14 be deleted as it is repeated in clause 114(1) and (2).

- **Shares in water services entities**

The Council does not support clause 16. The shareholding proposal does not reflect an equitable approach for communities, and as such Council does not support it. For example, Horowhenua District Council with 36,000 people gets 1 share, the same as the Chatham Islands with 700 people. Council cannot agree with such an allocation regarding our building block assets for our community.

- **Regional Representative Groups - Establishment and membership**

Council believes that the Eastern-Central Water Services Entity (formerly 'Entity C') will not be fully represented from a Council or an iwi perspective. The Regional Representative Groups may only consist of 12-14 representatives, and include equal numbers of territorial authority representatives and iwi representatives. That is, six or seven each. The Entity includes 21 Councils. Of those 14 or 15 will not be represented.

Allowing six or seven could be interpreted as a direction the Future of Local Government reform is heading, and that this is a 'post-amalgamation' scenario. There otherwise isn't sufficient justification for restricting representation to this extent. If this is the intent, Council again states that the reform should be paused and aligned with the Future of Local Government reform.

The proposed iwi representation must be revisited. Within the Horowhenua district alone, there are four iwi, two of whom are pre-settlement.

Horowhenua District Council has worked hard to build a partnership with local iwi including working through complex and difficult issues such as wastewater discharge arrangements. Council want to ensure its iwi partners continue to have a strong voice around that delivery and management of three waters in the Horowhenua as they currently do through direct contact with Council at a governance and officer level.

A one-size-fits-all approach is not appropriate, and Council would suggest bespoke arrangements are made for each water services entity, and serious consideration of addressing the unequal resourcing positions of pre-settlement iwi being asked to vie for places against post-settlement iwi.

Part 4 - Financial and accountability matters

- **GPS: Water Services**

Council supports LGNZ's recommendation to ensure central policy direction comes with greater central government investment. Any centralised control via a GPS needs to be followed by funding from the centre. Central government also needs to assist with assessing and funding investment needed to address historic degradation and inequalities.

- **Statement of Intent**

It is imperative that the establishment of the water services entities and the first Statement of Intent include the following:

- That Water Service Entities are required to plan for and deliver services in a manner that supports the delivery of the proposed regional Spatial Plans and District level Long Term Plans.
- That the Water Service Entities is required to provide an investment prioritisation framework.
- That there is a clear process for every council to influence the Statement of Intent for their water service provider, to ensure alignment of service delivery with their strategic priorities.
- An amendment to clause 145(3)(a) *'the forecast financial statements for each financial year in the period to which the statement of intent relates'* to add *'and a minimum underpinned quantity investment per annum in water infrastructure is specified for each region to ensure infrastructure is built to meet future demand.'*

- **Funding and Pricing Plan**

Council supports the requirement that the Board of a water services entity must provide a funding and pricing plan at least once every three years. Any thought of water services charges affordability needs careful consideration alongside rates relief offered by individual councils. Affordability includes making sure small or isolated communities don't pay disproportionately more.

Therefore the Council recommends the following:

That clause 151(2)(d) be inserted as follows:

“specify the entity's approach to achieving affordability for consumers”

Council is pleased to see the requirement in Part 3 of Schedule 3 that the water services entities “*must*” engage with territorial authorities, consumers and communities on proposed funding and pricing plans.

Council recommends below that it be amended in this Bill requiring water services entities to *collaborate* rather than *consult* with Territorial Authorities so customers offered rates relief are also recognised by Water Service Entities.

Council is concerned that there is no visibility of the additional pricing and charging arrangements that will be included in the additional legislation, including that Council's three waters borrowings will be repaid by central government. Council's concerns are detailed under *Additional water services reform legislation* below.

Part 6 - Miscellaneous

- **Engagement**

Council set out the importance of the community voice in the introductory statements to this submission. Ongoing and meaningful engagement is vital if the water entities are to provide the benefits promised.

Council recommends that Subpart 3 – Engagement be moved into *Part 4 - Financial and accountability matters*. Engagement is too important to be labelled 'miscellaneous'. Further, consultation requirements of the LGA are included in Part 6 – Planning, decision-making and accountability.

Council's recommendation is consistent with this precedent.

Council is pleased to see clause 202 setting out the water services entities' engagement requirements as a step in the right direction. However, the option in clause 202(2) to either '*consult on a proposal*' or '*seek input during the formulation of a proposal, or feedback on a proposal, on an iterative basis*' should be removed so all parts are required, making it consistent with clause 13(d) (f) to partner and meaningfully engage early with Māori, territorial authorities and their communities.

Council would welcome this recognition and protection of the public and local voices.

The requirement in clause 202(4)(c) that a water services entity “*must allow adequate time for engagement to occur and for territorial authority owners, and for consumers and communities to respond*” is pleasing to see and will need to be followed in good faith. Both councils and iwi have limited resources and duty to our communities to provide informed and considered responses. That includes the internal processes each has for considering and agreeing responses, which take time.

Council notes also the consultation requirements in sections 82 and 83 of the LGA, are requirements, not choices. The Council recommends water services entities be subject to at least the same

requirements. 'At least', as this Bill can reflect more modern engagement practices developed since 2002.

Additional water services reform legislation

While it has been stated that there is additional legislation to come transition arrangements, Council is concerned that pricing and charging arrangements are being split across different pieces of legislation, and that further powers, functions and responsibilities of water services entities are still to be identified.

This runs the risk of creating unnecessary complexity and possible confusion, for aspects of Statements of Intent, Funding and Pricing Plans, further pricing and charging arrangements and any additional powers, functions and responsibilities of the water services entities. As has been the case throughout this process councils and communities are not able to comment on the whole proposal.

For example there is significant concern among our rural community that they will be asked to contribute to water costs when they do not receive any services. Clarity is needed from a funding perspective about which members of the community are expected to pay for the cost of water and wastewater.

Industry and horticulture are heavy users of water networks in the Horowhenua – it is critical that clarity and certainty is provided to them. Businesses need detailed pricing and compliance information to enable informed investment decisions about their future.

Council notes the commitment to the principle of equity in charges for commercial versus residential Three Waters services, and expect there to be a consistent pricing approach within an entity, and between entities, and for industry to pay for what it uses. However, the information provided to date offers little information on how equity will be achieved.

While Council understands that, as stated in the July 2021 Cabinet papers, equity is a key principle and that the new entities will need different charging instruments to effectively and equitably charge customers across the network, further advice on this matter is not available which makes it impossible to assess its implications.

Council is concerned about the potential for changes in charging structures for water and wastewater services to impact on business operations. Council's investment in wastewater treatment infrastructure is an example of providing long term certainty of level of service for businesses, ensuring that Horowhenua is a good place to do business. Council would like the new service delivery arrangements, and their relationship to broader Council planning documents, to continue to support Council's objective to attract and retain businesses in the Horowhenua district.

Council recommends that absence of the whole package and these significant gaps, are further reasons for the Bill not proceeding at this point. Without the additional proposed legislation developed and publically released for consideration as a package the full implications cannot be considered. In developing that additional legislation, the Council recommends the following are enabled:

1. Transition arrangements

- That the Government works closely with local authorities to plan for, adequately fund and resource transition activity to ensure that service delivery is maintained alongside transition planning and implementation. Council welcomes the Associate Minister of Local Government's transition funding announcement on 19 July 2022.
- That further legislation grandparents, at a minimum, current operative Council Long Term Plan investment plans (including the relevant Asset Management Plans) into the initial programme of activity for the new water service entity.

2. Pricing and charging arrangements

- That Councils' three waters borrowings will be repaid by central government.
- That water services entities are required to enable a differentiated approach, for example, so that Development Contributions be set based on the Horowhenua catchment and not harmonised.
- That Development Contributions provided for development in a councils region (e.g. Horowhenua) should directly benefit the local community. This approach supports the statement referred to above, that:

"Water services are an essential building block for communities. Public health and well-being, better environmental outcomes, economic growth and job creation, housing and urban development, climate change, resilience to natural hazards, and the rights and interests of iwi and Māori all depend on better outcomes for those services."
- That Government investigate the enabling of co-funding mechanisms with Territorial Authorities to ensure that local prioritisation of growth projects that sit outside investment prioritisation frameworks or water entity timelines can be progressed if local support and funding is present.
- That the principles used to allocate the "better off" funding package should be carried into allocation of capital funding for new entities.
- That clarity is provided about whether rural communities that do not receive water services would be expected to pay water and wastewater costs.
- That clarity and certainty is provided for industry and horticulture about pricing and compliance requirements to enable informed investment decisions about their future.
- That clarity is provided about the principle of equity in charges for commercial versus residential Three Waters services will be achieved.

Conclusion

Because of the fundamental flaws in this Bill, Council recommends that the Select Committee recommend that it not proceed and be returned with a strong recommendation that a genuine cross-party solution is found. Both the Select Committee and the Government can gain public support for taking this approach.

Alternatively, if the Bill is to progress, Council would like the recommendations suggested included to improve the establishment and future operation of the water services entities.

A list of the recommendations above is attached.

The Council wishes to appear in support of this submission.

Yours sincerely,



Bernie Wanden, JP
District Mayor



Monique Davidson
Chief Executive

APPENDIX 1

Horowhenua District Council Recommendations

Recommended approach

Council considers the sequencing of three waters reforms ahead of finalisation of the Government's own concurrent future of local government review is ill-considered and inappropriate

There are other credible and workable models and approaches that should have, and could still, be explored (by Government or councils themselves) as an alternative to, or enhancement, to the current reform proposals;

The absence of community engagement means information has not been provided to adequately inform communities of the detail and consequences of the proposed reform. Nor has it enabled the community to discuss the proposals with those designing and advocating for them.

1. Council stands by its earlier position that the Government should immediately pause the current reform programme to consider appropriate sequencing and allow for the investigation and development of other alternative more localised or regional collaborative or aggregated approaches to achieving better three waters outcomes.
2. Council recommends that the approach is changed and an enduring solution is sought through a genuine cross-party process to ensure community interests are at the heart of any solution.

As amendments to the proposed Bill, Council recommends:

Part 2 - Water Services Entities

Objectives

3. That clause 11(f) requiring water services to be delivered 'in a sustainable manner that seeks to mitigate the effects of climate change and natural hazards and supports or improves community resilience'.
4. That clause 11(g) be added to require the water service entities to implement sustainable procurement practices throughout the supply chain including contributing to local employment and economic activity.

Functions of water entities

5. That a new subclause 12(c) be added to clarify that this clause includes giving effect to providing for new and existing businesses as committed to in Spatial Plans and Long Term Plans.
6. That clause 14 be deleted as it is repeated in clause 114(1) and (2).

Regional Representative Groups

7. That bespoke arrangements are made for representation for each water services entity, that council representation is increased and serious consideration of addressing the unequal resourcing positions of pre-settlement iwi being asked to vie for places against post-settlement iwi.

Part 4 - Financial and accountability matters

GPS: Water Services

8. That central policy direction comes with greater central government investment. Any centralised control via a GPS is followed by funding from the centre.
9. That Central government also needs to assist with assessing and funding investment needed to address historic degradation and inequalities.

Statement of Intent

10. That the first Statement of Intent include the following:
 - That Water Service Entities are required to plan for and deliver services in a manner that supports the delivery of the proposed regional Spatial Plans and District level Long Term Plans.
 - That the Water Service Entities is required to provide an investment prioritisation framework.
 - That there is a clear process for every council to influence the Statement of Intent for their water service provider, to ensure alignment of service delivery with their strategic priorities.
 - An amendment to clause 145(3)(a) *'the forecast financial statements for each financial year in the period to which the statement of intent relates'* to add *'and a minimum underpinned quantity investment per annum in water infrastructure is specified for each region to ensure infrastructure is built to meet future demand.'*

Funding and Pricing Plan

- That clause 151(2)(d) be inserted as follows: *"specify the entity's approach to achieving affordability for consumers"*

Part 6 - Miscellaneous

Engagement

11. That Subpart 3 – Engagement be moved into *Part 4 - Financial and accountability matters*.
15. That clause 202(2) be amended to read:
 - (2) *Engagement requires that a water services entity do either or both of the following before deciding on a matter:*
 - (a) *Consult and collaborate on a proposal; and*
 - (b) *Seek input during the formulation of a proposal, or feedback on a proposal, on an iterative basis.*

Additional legislation

Transition arrangements

12. That the Government works closely with local authorities to plan for, adequately fund and resource transition activity to ensure that service delivery is maintained alongside transition planning and implementation.
13. That further legislation grandparents, at a minimum, current operative Council Long Term Plan investment plans (including the relevant Asset Management Plans) into the initial programme of activity for the new water service entity.

Pricing and charging arrangements

14. That Council's three waters borrowings will be repaid by central government.
15. That water services entities are required to enable a differentiated approach, for example, so that Development Contributions be set based on the Horowhenua catchment and not harmonised.
16. That Development Contributions provided for development in a councils region (e.g. Horowhenua) should directly benefit the local community.
17. That Government investigate the enabling of co-funding mechanisms with Territorial Authorities to ensure that local prioritisation of growth projects that sit outside investment prioritisation frameworks or water entity timelines can be progressed if local support and funding is present.
18. That the principles used to allocate the "better off" funding package should be carried into allocation of capital funding for new entities.

19. That clarity is provided about whether rural communities that do not receive water services would be expected to pay water and wastewater costs.
20. That clarity and certainty is provided for industry and horticulture about pricing and compliance requirements to enable informed investment decisions about their future.
21. That clarity is provided about the principle of equity in charges for commercial versus residential Three Waters services will be achieved.

Exclusion of the Public : Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

7.1 Gladstone Road Realignment - Attachment A - Gladstone Road Realignment Material Cost Increase Chart

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
	s7(2)(b)(ii)	

C1 Foxton Area Community Medical Trust - Te Waiora Health Centre

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C2 Tender Outcome Report - Cambridge Street North Levin Wastewater Reticulation Renewal

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. s7(2)(h) - The withholding of the information is necessary to	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

	<p>enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	
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C3 Procurement Plan Report - Mangahao Road and Liverpool Street Water Renewal

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

C4 Horowhenua Alliance Contract Renewal

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>